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NEWS SUMMARY

GENERAL

Space shuttle launch delayed

The U.S. space shuttle launch has been delayed by at least 48 hours.

Four computers in the Orbiter lost communication with a back-up nine minutes before the end of the 73-hour *countdown.*

Astronauts John Young and Bob Crippen were returned to the quarantine base at the space centre.

NASA said it hoped for another launch attempt on Sunday.

U.S. n-sub crash

The U.S. said an American *nuclear-owered balistic missile* submarine sank a Japanese freighter in an East China Sea collision.

Hospital pay deal

NUPE and the GMWU said a majority of their ½m hospital ancillary members had voted to accept a cash limits pay deal. Page 4

Easter action

Civil Service unions will today anounce action expected to disrupt Easter port and airport traffic in support of their pay claim. Page 4

Fog road deaths

Two were kiled and seven injured in a multiple crash in fog on the M56 in Cheshire.

Pit fire injuries

Two engineers were burnt, one seriously, in a fire after an explosion at Askern Colliery near Doncaster.

Euro-MP hurt

European MP Paul Howell was *badly injured* when a plane in which he was a passenger crashed in Norfolk.

Fatal whiplash

An army tank driver was beheaded by whiplashing barbed wire, a Salisbury inquest heard.

Metro price rise

BL's most popular Mini Metro model is to go up by £176 to £3,730 on April 12.

'Biggs for Brazil'

The Brazilian Government still *wants train robber* Ronald Biggs returned there and does not consider extradition proceedings over.

Reagan recovers

President Reagan, recovering from his bullet wound, is expected to return to the White House today or Sunday.

Harmony claim

Mrs. Thatcher denied the Nationality Bill was racially discriminatory. "We *live* in very great racial harmony in this country," she told BBC World Service listeners.

Volcano blast

Mount St. Helens staged a "small, isolated eruption," blasting a *steam plume* and ash 15,500 feet into the air.

Arctic oasis

A £60,000 plant house in which equatorial and arctic conditions can be simulated was opened at Kew.

Sleuth special

Detectives have ben called in to *fingerprint* a 3,000-year-old Egyptian mummy in a Bristol University study.

Briefly . . .

Hitler's *former* deputy Rudolf Hess, 86, has pneumonia.

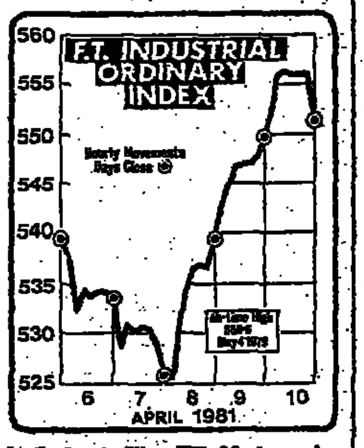
Coronation robes of George IV are to be restored for a *royal* wedding exhibition.

Chinese get *sick* before they get drunk, a doctor claimed.

BUSINESS

All-share at further peak; 0.31 on gilts

● **EQUITIES** continued strongly upward on optimism about economic recovery, but leaders *closed* well below the day's best. The FT 30-share index added 1.5 to 551.3 while the FT-Actuaries All-Share index went 0.5 beyond Thursday's Thursday's peak to 319.75. Page 22



● **GILTS** were firmer after an *uninspiring* week. The Government Securities index was 0.31 up at 69.86. Page 22

● **STERLING** shed 1.3c to $2.1820 after $2.1790, also easing to FFr 11.0850 (FFr11.1050). It was unchanged at DM 4.70, as was its trade-*weighted index* at 99.2. Page 21

● **DOLLAR** firmed on prime rate rises, to DM 2.1530 (DM 2.1405), SwFr 1.9640 (SwFr 1.9510), and Y215.10 (Y213.90). *Its trade-*weighted index was 101.5 (101.4). Page 21

● **GOLD** fell $6 to $492.5, a loss on the week of $31. Page 21

● **WALL STREET** was up 1.89 to 1000.72 near the close. Page 18

● **HONGKONG** and Shanghai Banking Corporation may sell Scottish institutions a stake in Royal Bank of Scotland if its bid succeeds. **Back Page**

● **TIN PRODUCERS** failed to agree pricing with user nations. **Back Page; Commodities Page 19**

● **TRIDENT** Television's proposals on reducing its Yorkshire and Tyne Tees holdings were accepted by the IBA. **Back Page**

● **BUILDING SOCIETY** receipts reached a nine-month low in March. **Back Page; Feature, Page 14**

● **ICI's MOSCOW** agreement with the Soviet Chemicals Foreign Trading Organisation could lift its trade there to 100m roubles (£63m) by 1985. **Page 3**

● **BRITISH AIRWAYS** plans to *shed 3,000* jobs in the year to end March, 1982. **Page 4**

● **HONDA MOTOR** increased parent company net profits 27.3 per cent in the year to end *February, to a record* Y30.14bn (£65.8m). **Page 19**

● **HONGKONG AND KOWLOON** Wharf, control of which Jardine Matheson lost last year, reported 1980 profit up 38 per cent after tax and minorities to HK$225.8m (£19.46m). **Page 19**

● **IBM** Corporation reported first quarter earnings of $730m (£334.55m) against $681m a year earlier but said its margins were under increasing pressure.

● **INTASUN LEISURE** Group, tour operator, is to be launched on the *Unlisted Securities* market. **Page 16; Lex, Back Page**

● **FOTHERGILL AND HARVEY**, industrial textiles maker, will raise £2.5m in a rights issue and buy **H. D. SYMONS**, electrical insulation producer, for £4.9m. **Results, Page 16**

● **CROWN HOUSE** raised its offer for **DENBYWARE** ceramics group 55 per cent to 124p cash a share. **Page 16**

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Trea. 13¾pc 2004-05	£100⅞	+ ⅛
Assoc. Eng.	52	+ 5
Auto. Products	63	+ 7
Bowater	269	+ 9
Brengreen	54	+ 5½
Carr's Milling	85	+ 6
Davy Cpn.	177	+ 9
Denbyware	125	+ 39
ERF	46	+ 9
Elliott (B.)	190	+ 14
Fidelity Radio	40	+ 6
Fothergill & Harvey	128	+ 6
GKN	164	+ 6
IMI	72	+ 6½
Lilley (F. J. C.)	157	+ 10
Liverpool Daily Post	130	+ 14
MDW	105	+ 6
Martin (Newsagent)	238	+ 18
Martonair	275	+ 10
Mercantile House	660	+ 40
Metal Bulletin	110	+ 7
Pilkington Bros.	315	+ 10
Priest (B.)	42	+ 5½
Reed Intl.	248	+ 13
Scapa	126	+ 11
Smith Bros.	43	+ 4
Smith Inds.	349	+ 14
Turner and Newall	100	+ 4½
Vickers	179	+ 5
Waring and Gillow	168	+ 18
Wrighton (F.)	75	+ 11
Aran Energy	410	+ 30
Eglinton Oil and Gas	180	+ 15
Marinex	137	+ 12
FALLS		
Plessey	328	− 7
Strata Oil	154	− 10
Anglo Amer. Cpn.	635	− 25
Doornfontein	868	− 68
Pres. Steyn	£18	− 1
RTZ	478	− 9

Hedderwick hammered for possible £3m default in gilts deals

BY CHRISTINE MOIR

HEDDERWICK Stirling Grumbar, a firm of stock brokers which has been the subject of a police inquiry and two Stock Exchange investigations in the past two years, was hammered at 5.45 yesterday evening.

The default, which led to its collapse, could involve as much as £3m of gilts deals thought to have been conducted in the past fortnight.

The firm's collapse came within minutes of involving Quilter Hilton Goodison, the stockbroking firm headed by Mr. Nicholas Goodison, chairman of the Stock Exchange.

Hedderwick was to have merged with Quilters at 3.30 *yesterday afternoon, a rescue* designed to prevent the firm from going into liquidation following the run down of its *business during the period of* the lengthy investigations which have been conducted into its *gilts dealings.*

At 11.0 am Mr. Goodison informed the Stock Exchange that Touche Ross, the investigating accountants which have been studying Hedderwick, had uncovered problems in "transactions carried out by clients of *Hedderwick especially* during the past two weeks."

Investigations during the *morning showed that the problems* were acute and Hedderwick was advised to cease trading at 3 pm, *half an hour before the merger was due to* take place.

Although Quilters had made *it clear that it was not going* to take over the gilts business of Hedderwick as part of its *rescue*, the *liabilities* of the Hedderwick partners would have been transferred with the merger.

Had the problems not been uncovered yesterday there would have been a real possibility that Quilters might have had to be hammered.

Throughout the day Stock Exchange officials sought to *establish the extent of the dealings.*

One transaction is thought to have *involved* an investment management client of Hedderwick which sold through Hedderwick gilts stock which were *pledged as a loan. It is thought* to have received a cheque from Hedderwick to the value of nearly £1m.

At 4.15 an emergency meeting of the council was convened which waived the rule that hammering, or expulsion from the Stock Exchange, may only take place in trading hours.

It was clear by this stage that Hedderwick was in default of its obligations, grounds for immediate expulsion from the market.

The assets of Hedderwick and its 22 partners, will be seized by the official assignee. Only if these are insufficient to meet the obligations will there be a call on the £1.25m Stock Exchange compensation fund.

This is already likely to be depleted by the recent hammering of Norman Collins, a small firm of brokers, which may have a net default of £500,000.

The Stock Exchange first investigated Hedderwick's gilts team in 1979. As a result of the investigation it expelled Mr. Terence Webster, the head of the team, censured Mr. Colin Franklin, the *managing* director, and handed over its findings to the City of London Police Fraud Squad.

Mr. Ralph Hedderwick, the then senior partner, retired. His place was taken by Mr. Wallis Hunt. The day he was appointed senior partner, in July last year, the Stock Exchange *began another inquiry*, again into its gilts business.

Hedderwick was thought to have broken Stock Exchange rules on lending gilts to Wedd and Owen, a small firm of jobbers, which suddenly ceased trading.

Hedderwick was cleared on all counts early this year, but when the rescue proposals from Quilters were *announced*, the gilts team was specifically excluded from the merger.

Now the merger has been "deferred" pending clarification of yesterday's events.

See Lex, Back Page

Convicted IRA man elected

BY STEWART DALBY AND ELINOR GOODMAN

FOR THE FIRST time since the Criminal Law Act of 1967 allowed convicted felons to be elected to Parliament an IRA terrorist has been elected as an MP.

Mr. Bobby Sands, 27, a Provisional IRA member serving *14 years for possession of fire*arms and now on hunger strike, won the Fermanagh - South Tyrone by-election by a margin of 1,446 votes out of a total of 62,818, a poll of 86.8 per cent.

Mr. Sands' only opponent was the Unionist Mr. Harry West, 63, a farmer and formerly leader of the Official Unionist Party.

Mr. Sands, elected mainly on the Catholic vote, has said that if elected he will immediately *resign*. But the Provisional Sinn Fein, political wing of the Provisional IRA, says he will *not now take this course.*

His decision not to stand down will put Westminster in a difficult position. *MPs could* vote to expel him as an undesirable Member.

Mr. Francis Pym, Leader of the House, is to discuss the situation on Monday with the Opposition parties and will sound out support for the idea of expelling Mr. Sands.

If an expulsion motion were passed it would mean another *by-election.* He could stand again.

The Government tried to play *down the significance of the by*-election, and stressed that any decision about Mr. Sands was essentially a matter for the whole House to decide.

If MPs decide against expelling him it would still be possible for Mr. Sands to lose his seat.

Ulster Unionists in Fermanagh-South Tyrone could challenge him in an electoral court on the grounds that because he was in the Maze Prison outside Belfast he could not adequately represent the electorate. If they succeeded Mr. Harry West would get the seat.

While Mr. Sands is technically not disqualified as an MP because of the change to the *Criminal Law Act in 1967*, there is no question of his being allowed special privileges to *come to Westminster.*

The Commons Committee on Privileges ruled in the context *of former MP Miss Bernadette* Devlin that an MP was entitled to no special privileges while in *prison. He will not therefore be* able to use his position as an MP to claim the special privileges as a prisoner he has long been demanding.

The Government had hoped *that* Mr. Sands would stand down as soon as he was elected. The view yesterday was that he might well not have won the by-election but for the fact that many of his Catholic supporters assumed he would stand down and leave the way open for another by-election in which another Catholic could stand.

The Fermanagh-South Tyrone constituency traditionally votes along strict-sectarian lines. The Catholics, in a majority of about 5,000, by and large vote for the Nationalist-Republican candidate, while the Protestants with few exceptions vote for the Unionists.

It had been thought that a *number of spoiled votes might* let Mr. West in. However, though spoiled votes at 3,280 were *much higher than usual*, they were insufficient to defeat Mr. Sands.

His election victory poses a dilemma for Mrs. Thatcher in that it will focus publicity on whether she should "politicise" prisoners in Northern Ireland.

So far she has adamantly refused

Playboy casinos opposed

BY ANDREW FISHER

THE POLICE and the Gaming Board are opposing renewal of licences for three London casinos run by Playboy of the U.S. The move follows a police raid in February.

***Objections to the renewals* for the Playboy Casino, the Clermont Club and the Playboy *Victoria Casino Club*, lodged yesterday. Annual licence hearings start in May.**

Gaming makes up the largest part of Playboy's world-wide profits. The London casinos provide most of this. In 1980 gaming income was $31m before tax compared with $14.7m from magazines and a $4.9m loss on clubs and hotels.

***Mr. Victor Lownes*, head of Playboy's UK operations and international gaming, said of the objections: "At least now I know where I stand." The police have already returned all documents removed in the raid.**

The police and Gaming Board are also seeking cancellation of the licence for the Knightsbridge Sporting Club. This is part of Scotia Investments, strongly criticised in a recent Department of Trade report. The police raided this club last month.

In Chicago the Playboy Enterprises parent company said the gaming licences in *London would be "vigorously* defended." Its own investigations revealed that the com*pany had "obeyed the law in* all material respects."

Playboy is the third major casino operator in the UK whose licences have been opposed by the police and the Gaming Board. Coral Leisure now part of Bass, and Ladbroke have withdrawn from gaming.

Polish resignation threat

BY CHRISTOPHER BOBINSKI IN WARSAW

GEN. WOJCIECH JARUZELSKI, *the Polish premier*, yesterday threatened to resign if Parliament did not pass a resolution *calling the Solidarity* union not to engage in strikes for two months.

In ag rim appraisal of Poland's economy, the premier warned of the need to raise consumer prices, freeze wages, reduce some production and close unprofitable factories.

"We must consider what to do to save the nation from hunger," he told Parliament.

"On the decision of the chamber on this question and on its widespread social support, depends the further carrying out of the duties of the Premier," he warned.

Outlining the difficulties facing the country, the Prime Minister said that the supplies were no longer reaching the shops and that there was "a *circle of mistrust, emotional* excitement and strike psychosis. The Government cannot act *under these circumstances.* But Gen. Jaruzelski underlined the Government's desire for con*structive relations with the* unions based on negotiations and a will to resolve conflicts *peacefully.*

"Let's try to start again and *co-operate.* Today any *sharp* collision means death."

The authorities urgently need a period of calm in which to sort out the economy. They also need stability to mollify the Soviet Union, which has shown growing impatience with developments in Poland.

Gen. Jaruzelski spoke of the need to take radical steps to stem the deteriorating economic situation and mentioned widespread reforms of the Government administration to remove bureaucratic blocks.

He spoke of the ned to raise *consumer prices in consultation* with the union. Another issue openly presented for the first time was that of cutting production of certain goods and closing raw material intensive and unprofitable plants.

Some estimated that 1m people would lose their jobs and will have to be "re-located" under the Government scheme. This, the Premier said, would be done in conjunction with Solidarity and he called for con*sultations on fixing social* priorities in the hard times to come.

The Government proposed a wage freeze to the unions this year and Gen. Jaruzelski said that rationing of meat would be extended to "grain products."

Mr. Henryk Kisiel, the head of the planning commission, who also spoke in the debate, said that on the basis of the results of the first quarter industrial production this year could fall by 10 per cent compared with 1981. Originally the *authorities had hoped to* keep it at last year's level.

Mr. Kisiel, commenting on *Poland's talks with its creditors*, both Western Governments and banks, said "We not some progress, not great but enough to permit us to hope that the talks will be happily concluded."

He announced that a joint pnion/Government committee would be set up to examine day-to-day problems.

In effect Gen. Jaruzelski has staked the future of his administration on Solidarity refraining from strikes over the next eight weeks.

The move is risky as both sides are heading for a round *of difficult negotiations on such* issues as access to the media for the union, and freedom for *Poland's six political prisoners.*

Hope for debt rescheduling this month

BY TERRY DODSWORTH IN PARIS

POLAND'S Western creditors said in Paris yesterday that they hoped to conclude an agreement *to reshedule Polish debt by the* end of this month.

The statement followed a two-*day meeting in which represen*tatives from 15 Western creditor countries held detailed talks with a *Polish* delegation. Enough progress was made in the discussions for a "proposed" final meeting to be arranged for April 27.

According to officials in Paris, a working document for the basis of an agreement has been established by Poland's four main creditor countries — the U.S., West Germany, France and *Great Britain.*

After the talks, in which the Polish delegation was asked to *clarify several points*, the proposals will be put to the different Governments.

Poland's external debt is about $25bn, of which $10bn is guaranteed by Governments or state export credit organisations. The main emphasis of the Paris talks has been on the Polish request for a rescheduling of the $4.4bn of official debt which falls due *this* year.

In addition, the Poles are believed to have asked for credits *to finance several industrial pro*jects and urgent overseas food purchases. According to Polish Press reports, the country may need up to $2.6bn this year to buy food.

The Government-to-Government talks are going on alongside discussions between the international commercial banks and Poland's Foreign Trade Bank on a further $3.1bn of debts falling due this year.

Continued on Back Page

Two banks raise prime to 17½%

BY IAN HARGREAVES IN NEW YORK

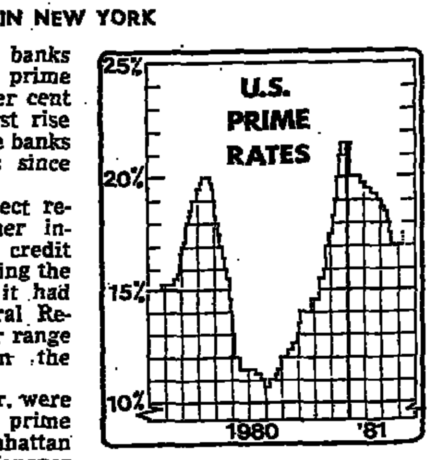
TWO LARGE New York banks yesterday raised their prime *lending rates from 17* per cent to 17½ per cent—the first rise in the rate charged by the banks *to their best customers since* mid-December.

The change was a direct response to *sharply higher* interest rates in the U.S. credit markets this week, following the *market's realising that it had* been counting on Federal Reserve support for a lower range of interest rates than the Central Bank intended.

Some analysts, however, were surprised by the higher prime announced by Chase Manhattan and Manufacturers Hanover Trust. Security Pacific Bank of Los Angeles raised its prime to 17.5 per cent two weeks ago.

Dr. William Griggs, senior economist with Henry Schroder Bank and Trust Company pointed out that the spread between the prime and three-month certificates of deposit is already more than 2 per cent, which is considered a rather large spread.

Certificates of deposit are an important means by which banks raise funds and are thus



closely tied to the prime rate.

Dr. Griggs said: "We may well see a split rate for a while as the banks make different judgments about the market and look at their own loan demand."

The problem for the banks in making this *judgment is that* the Fed's actions in recent weeks have undermined market confidence in one of its *most* trusted barometers, the Federal funds interbank rate—the rate at which the Fed lends to banks.

Yesterday the rate was hover*ing between 15 per cent and 18* per cent and other credit market rates also rose slightly as bond prices weakened.

If the market is unable to rely on the funds rate as an indication of the Fed's credit market stance, it will have to look elsewhere, such as at money supply and bank reserve data. These are likely to produce differing conclusions about the prospects for interest rates.

For U.S. companies, this *latest disorder* in the market comes at a most unfortunate time. Over $5bn (£2.2bn) of *corporate bond offerings* had been planned for April and this week several have been delayed because of volatile interest rates.

£ in New York

—	April 9	Previous
Spot	$2.1935-1945	2.1930-1950
1 month	0.62-0.69 pm	0.43-0.50 pm
3 months	1.85-1.95 pm	1.90-2.00 pm
12 months	6.30-6.50 pm	5.70-5.90 pm

CONTENTS

Building societies: the cartel begins to crumble 14
Ward-Tunnel: takeover battle 15
Financial advice: the clearing banks 7
Property: from a church to studio apartments 8
Travel: the Virgin Islands 9
Motoring: Aston Martin V8 9
Gardening: start growing dahlias now 9
Collecting: salt-glaze ware 13
Golf: the Masters 13

Appointments	4	Gardening	8	Racing	9	Your Savings/Inv.	7
Arts	12	Golf	13	Share Information	24-25	Week in the Mkts.	5
Books Page	10	How to Spend It	11	SE Week's Deals	20-21	Base Lending Rates	20
Bridge	8	Intl. Co. News	19	Stock Markets:		Building Soc. Rates	21
Chess	8	Leader	14	*London*	22	Local Authy. Bonds	21
Collecting	12	Letters	12	Wall Street	18	ANNUAL STATEMENTS	
Commodities	19	Lex	26	Bourses	18	American Trust	17
Company News	16-17	London Options	20	Travel	9	Family Inv. Trust	3
Crossword	12	Men of the Week	26	TV and Radio	12	Law Land	17
Economic Diary	15	Mining	5	UK News:		OFFERS FOR SALE	
Entertain. Guide	12	Money & Exchngs.	21	General	3-4	M & G Group	1
European Options	17	Motoring	9	*Labour*	4	*Tyndall Managers*	7
Finance & Family	6	Overseas News	2	Unit Trusts	23	Legal & Gen. Unit	7
FT Actuaries	22	Property	8	Weather	26	Henderson Unit	15

For latest Share Index phone 01-246 8026

OVERSEAS NEWS

Brezhnev warns Eastern Bloc on economic ills

BY ANTHONY ROBINSON, EAST EUROPEAN CORRESPONDENT

SOVIET PRESIDENT Mr. Leonid Brezhnev concluded his highly-visible days as guest of the Czechoslovak Communist Party with a valedictory speech yesterday which confirmed that behind-the-scenes talks with other East European parties have concentrated on how to limit the economic as well as political fall-out from events in Poland.

Addressing the newly-elected Czechoslovak party leadership at a reception in Prague Castle, Mr. Brezhnev said: "For all of us here the economic front is the main one at present. Everything is focussed on the need to increase the efficiency of production and improve the level of management."

Czechoslovak state and party president Mr. Gustav Husak hinted at this during his opening speech to the congress when he proposed a Communist Bloc economic summit to achieve greater economic integration.

President Husak . . . summit call

The need for economic reforms has been increased dramatically by the growing energy crisis in Eastern Europe and the widening technological gap vis-a-vis the West.

The speeches reflect the grave concern felt by Communist Party leaders throughout the Bloc at the actual and potential complications for their own five-year plans of the strikes and production losses in Poland. This message was also conveyed in no uncertain terms to the Polish delegate, the hard-line Politburo member Mr. Stefan Olszowski.

But the decision by Poland's Prime Minister, General Wojciech Jaruzelski, to demand that the Polish parliament ban strikes for the next two months, is taken in Prague as evidence that the message has been clearly received in Warsaw.

President Husak underlined the political aspects of the implied warning to Poland by declaring: "Our strength lies in unity." He also confirmed "the loyalty of our party to the principles of proletarian and socialist internationalism."

Mr. Husak effusively thanked President Brezhnev for his personal presence at the party congress and said he was an inspiration to the whole Czechoslovak party.

Following the example set by the Soviet party congress in February, the entire 11-man Czechoslovak Politburo was re-elected with the addition of one new member — the former Politburo candidate member and agricultural expert Mr. Milos Jakes.

Statistics revealed after the congress indicated that more than 40 per cent of the Czechoslovak party's 1.5m members have joined since the massive purges which followed the Warsaw Pact invasion of Czechoslovakia in August 1968.

Solidarity accused of waging 'leaflet war'

BY DAVID SATTER IN MOSCOW

THE SOVIET trade union newspaper Trud claimed yesterday that Solidarity is engaged in a "leaflet war" against the Polish authorities and that malicious and provocative rumours are being spread in Poland on a steadily-increasing scale.

Trud said that leaflets issued in the name of Solidarity call for an "open struggle" against the Polish Communist Party and the socialist system.

The attack in Trud follows allegations on Wednesday that Solidarity has ties with fascist and revanchist organisations abroad and earlier suggestions that Solidarity is guided by Kos-Kor, the "counter revolutionary" Polish dissident group.

The intention is apparently to build up for Soviet citizens a picture of Solidarity as a right-wing organisation led by counter-revolutionaries and engaged in a struggle with the Polish Communist Party for political power.

Trud said that at the time of the events in Bydgoszcz, when members of Solidarity were beaten by police, leaflets "maliciously attacking the Polish Communist Party and Government bodies, especially the Interior Ministry, were distributed in buses and street-cars, and put up in the windows of shops."

The newspaper said that Kos-Kor and "other counter-revolutionary groupings hostile to socialism" were waging the leaflet war on behalf of Solidarity, disguising their intentions under the slogan of renovation.

Dassault 'on point of Mirage sale' to India

By Terry Dodsworth in Paris and K. K. Sharma in New Delhi

M. MARCEL DASSAULT, head of the Dassault-Breguet aircraft group, said yesterday that the company was on the point of winning a large order from India for its new Mirage 2000 combat jet.

The Indian Government was thinking of buying 150 aircraft, he said in a radio interview. M. Dassault's statement is the first official confirmation from the company that it has made progress in its efforts to persuade India to take the Mirage 2000.

A plan to manufacture the aircraft under licence was presented to the Indian authorities in the middle of last year, when there were suggestions that India might drop part of its contract to buy the Anglo-French Jaguar from Britain.

The Dassault statement is at some variance with the Indian Government position. Senior officials in New Delhi said yesterday that British Aerospace is still very much in the running for the development of the light combat aircraft. Separate talks between Indian officials and British and French delegations on the project are described as being "at a very advanced stage."

Should France get the contract, it would likely be at the expense of 120 British Jaguars, which British Aerospace had already contracted to have built in Bangalore.

The provision of these was negotiated in 1979 under the former Janata Government as part of a package that also included the direct sale of 40 Jaguars and shipment of another 45 in completely knocked down (ckd) kits.

With the return of the Gandhi Government, that deal was put under review.

A breakthrough for the Mirage in India would be a coup for Dassault, which has had considerable teething troubles on the project. So far the 2000 has not won any overseas orders.

Chinese try to reassure EEC groups

By John Wyles in Brussels

THE CHINESE Government yesterday offered some assurance here that it would try to reach settlements with European companies whose contracts have been hit by major changes in China's economic development plans.

Mr. Gu Mu, the Chinese Vice-Premier, said that Peking was determined to honour its commitments and to "find a mutually acceptable way to resolve the outstanding questions relating to contracts affected by re-adjustment policies."

His assurance was given during a meeting with M. Gaston Thorn, the president of the EEC Commission, which marked the end of the EEC-China Business Week. This has brought together a 100-strong Chinese delegation and more than 700 executives from 300 European companies.

Several companies are bound to have expressed their concern during these contacts at the recent spate of cancellations and postponements of major plant construction contracts. Further discussions may well be held over the next few days.

Mr. Gu Mu's statement is seen as an attempt to repair the damage to Chinese credibility caused by the abrupt reversal of economic development policies. But officials here emphasise that China has not raised the question of financial credits which, according to reports from Japan, have been linked by Peking to an attempt to revive some contracts previously placed with Japanese companies.

Turks' dismay at Strasbourg vote

By Metin Munir in Istanbul

THE TURKISH Government reacted last night with dismay at yesterday's resolution by the European Parliament calling for Turkey's links with the EEC to be frozen if democratic practices are not restored within two months. Socialist and Communist critics of the Turkish military regime won a surprise narrow victory for a toughly worded resolution. This condemned torture and execution in Turkey and the arrest of "innocent democratic citizens." The resolution came two weeks after Turkey's generals had decided to accelerate preparations for Turkey to apply for full membership of the EEC.

In a thinly attended ballot, the resolution was passed by 51 votes to 45 in Strasbourg. The resolution came as a delegation from the International Confederation of Free Trades Unions ended a visit to Turkey, concluding that "the workers' situation is much worse than we had realised."

Israelis show ability to act in Lebanon

BY OUR CORRESPONDENTS IN TEL AVIV AND BEIRUT

AS AN uneasy ceasefire continued to hold between Syrian troops and Christian militias in Beirut and the eastern town of Zahle yesterday, Israel carried out land, sea and air strikes against Palestinian camps and targets deep in Southern Lebanon.

Only hours after Israeli paratroopers attacked a base belonging to El-Fatah, the main guerilla group, north west of the Moslem town of Nabatiyah, and Israeli naval vessels bombarded the coast between the ports of Tyre and Sidon, Israeli Phantom fighter jets pounded a Palestinian camp at Dalhamiyah, about six miles south of the capital, and the neighbouring town of Damour with rockets.

Buildings were destroyed, and fires started. Several peolpe were killed or wounded.

At military headquarters in Tel Aviv it was stressed that the attacks had limited objectives designed to deter Palestinians from attacking Israel.

The assurance seemed designed to emphasise that Israel has not reached the point of intervening directly in the conflict raging further north in Lebanon. Israel has several times said it will not stand by and see Lebanon's Christian community wiped out. The latest raids could serve to remind the Syrians of Israel's capacity to act inside Lebanon.

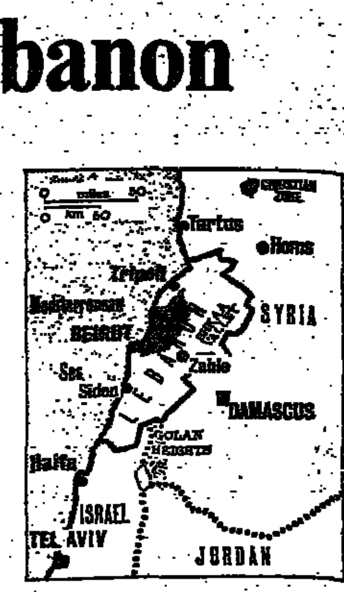
According to an Israeli spokesman, four Palestinians were killed and two tanks destroyed in Thursday night's paratroop raid. The Russian-built tanks, aging P34 models, were believed to be part of a shipment of 60 which recently arrived from Hungary via Syria, the spokesman said.

The Israelis found that most of the 40 or so Palestinians normally manning the base had fled, leaving behind trucks with mounted machine guns and several gun placements. The Israelis wrecked buildings and vehicles and destroyed ammunition before helicopters flew in to take them home.

The Israelis claimed that two of their men were wounded and one later died, but a Palestinian spokesman said enemy casualties were heavy.

The escalation of violence in Southern Lebanon came on the eve of a crucial meeting by the Palestinian Parliament in exile. The 300-member Palestinian National Council is due to hold a session in Damascus today—its first for two years.

Election of a new executive committee for the Palestine Liberation Organisation is the main topic on the agenda.



Why Phalangists and Syrians went to war

BY DUNCAN CAMPBELL-SMITH IN BEIRUT

FOR A few days, Beirut was pitched back into the familiar, bloody routines of the past: the grinding whoosh of Russian rockets, the gunfire across the streets joining Christian East to Moslem West, the ranks of ambulances ferrying mutilated young men to the American University Hospital's emergency doors.

As the bitter battle for Zahle spread to the capital, commercial life struggled on, as it always does in Beirut. The businessmen and bankers switched to temporary premises, while their families moved out to stay with friends and relatives in the mountains. But the shops closed early. It was easier to telephone London than the next street. And Lebanese families mingled with hundreds of expatriate workers at the crowded airport waiting for outward flights.

Despite the sickening familiarity, Lebanese talk of their latest misfortunes with a new bitterness. For there is a perception—true or false—that no Lebanese has been to blame for this carnage.

Syria's army in Lebanon has emerged as a shared enemy. Profound hostility exists in many quarters towards the abandon with which the Syrian peace-keeping forces have scattered rockets and shells among Lebanese homes. This hostility and the fear that it portends a protracted military struggle explain Lebanon's alarm over the battle for Zahle.

Zahle has been a crossroads for two forces with incompatible designs on Lebanon's future. Syria, with 30,000 troops in Lebanon, sees the country in the context of its own strategic requirements against Israel. In opposition is a right-wing Christian Lebanese vision, led by the Christian Phalange Party, dedicated to the Syrian's expulsion.

But there are other major forces to contend with: Lebanon's left-wing Moslems, for example, the Palestinian guerrilla forces, and Christians in the north who want no truck with the Phalange.

The Phalange has nurtured its Phoenix in a small Christian enclave — Mount Lebanon — which extends north and east from east Beirut to the suburbs and villages up to the mountains.

Now, for the first time, Phalangist leaders are openly determined to break out. To do so, they have had to reach over the mountains — down to the valley beyond, where Zahle is the key.

Here they have confronted the future which President Hafez Assad of Syria evidently has in mind. It is not, perhaps, the future he envisaged in the early days of Syria's peace-keeping. But President Assad is a pragmatic man.

He did not foresee the Israeli invasion of South Lebanon in 1978, when Israel effectively consolidated its Lebanese border with a buffer zone, under the command of Maj or Saad Haddad, late of the Lebanese Army. However, President Assad seems clearly to have re-arranged his priorities. He is now less concerned with balancing warring factions than with consolidating Syria's own Lebanese buffer zone.

The Syrian zone occupies the territory of the Beqaa Valley, leading down the spine of Lebanon to Syria's positions facing the Israeli-occupied Golan Heights. It controls the main artery between Syria and central Lebanon and, unhappily it is dominated on its western slopes by the city of Zahle.

Genaral Mustafa Tlas, Syria's Defence Minister, told his local army commanders in December that nothing could prevail upon Damascus to surrender control of the Beqaa so long as this could risk further Israeli encroachments.

The fear that Israeli military interests march hand in hand with Phalangist power explains the ferocity of Syria's first reaction to the sight of Christian militiamen moving road construction equipment into position outside Zahle at the beginning of April.

As a military threat, the Phalange itself may not unduly alarm the Syrians, even though it undoubtedly receives substantial material support from Israel—including tanks and artillery. But it is hardly a match for Syrian armour.

But widened roads connecting Mount Lebanon with Zahle point menacingly south, towards the southern buffer zone occupied by Israel's Lebanese Christian allies. It is the threat of an Israeli-backed pincer movement from north and south of Beirut which explains Syria's total rejection of compromise in this week's negotiations between Damascus and the Lebanese Government.

The Phalange may have thought the moment was ripe to challenge Syria's domination—to launch what its military leader, Mr. Bechir Gemayel, proclaims a "war of liberation"—because of the new U.S. Administration's emphasis on containing Soviet influence, the Polish crisis and the visit to the Middle East by Mr. Alexander Haig, the U.S. Secretary of State.

Perhaps the Phalange is looking, too, for overt Israeli help. The Syrians know the danger of provoking Israeli air strikes by being too remorseless in their assaults. They have played cat and mouse with the Phalange, as last week's succession of broken ceasefires suggests.

But the subtlest card of all requires that the Zahle battle be presented as a struggle between Lebanese and Syrians. If the Phalange can only mobilise popular resentment against an army of peace-keepers which has become an army of occupation, it believes it might look for at least passive support from the majority of Lebanese Moslems.

This is probably over-optimistic. Lebanon still seethes with factional dissent. But some factions have already established discreet contacts with the Phalange.

"International relations are at stake in this crisis," said a Phalange spokesman at the party's Beirut headquarters yesterday. On his desk was a scribbling-pad incongruously headed: "Things to do this week." It was printed with a row of little boxes on each sheet marked "completed." Nothing has been completed in Lebanon this week.

Red Cross teams carry wounded from Zahle into Baabda Hospital, Beirut

France prepares ceasefire pact

BY DAVID WHITE IN PARIS

FRANCE plans this weekend to sound out Arab governments on drawing up a ceasefire pact in Lebanon, M. Jean François-Poncet, the Foreign Minister, said yesterday after a meeting with President Valery Giscard d'Estaing.

The proposal will be discussed with Mr. Alexander Haig, the U.S. Secretary of State, today when he stops for talks with the two men on his way from London to Bonn.

M. François-Poncet said the ceasefire arrangement would be "within the framework of the UN." A ministry spokesman said later that the countries being contacted on the plan would include Israel.

Paris has made it clear it is prepared to play a leading role in setting up a new buffer force if this is requested by the Lebanese authorities.

The announcement was made as the first of two military transport aircraft promised by France to Lebanon was on its way back to Paris with 30 seriously wounded victims of the recent bombardments.

Mr. Haig is due to discuss the results of his recent Middle East trip with President Giscard and M. François-Poncet during a brief stopover. The situation in Poland and the state of East-West relations will also figure

Strike could halt Danish bacon exports to UK

BY HILARY BARNES IN COPENHAGEN

A STRIKE at Danish bacon curers and abattoirs due to start on April 22 will mean the rapid suspension of bacon exports to the UK. Members of the Union of Slaughterhouse Workers yesterday voted to reject a two-year wage settlement negotiated on their behalf by the union.

The situation is regarded with the utmost seriousness by ESS-Food, the meat export association. "Apart from the effect on the trade balance, the economic situation of the farmers is already desperate. I can't believe that this madness will go forward," said Mr. H. A. O. Kjeldsen, the association's chairman.

The strike will halt exports of pig meat, beef and veal and canned meat, which are worth over Kr 1bn (£67m) a month or about 11 per cent of Denmark's total merchandise exports. The strike would come at a particularly bad time for the UK market as bacon stocks will be low after the Easter holiday, said an ESS-Food official.

Mr. Kjeldsen said that other producers will be waiting to jump in if Danish supplies are suspended and he fears a loss of the UK market share, of which Danish bacon accounts for about 42 per cent. He said that if a backlog of bacon and pig meat is allowed to build up it will push down prices for a considerable period.

The Government may decide to intervene, but it has not done so in other pay disputes.

Meanwhile, there is no sign of a break in the strike and lockout which has closed most of Denmark's newspapers and commercial printing works over a pay and new technology dispute. The conflict, which started on March 27, seems set to last for months.

Reprieve for Finland's Government

By Lance Keyworth in Helsinki

FINLAND'S FOUR party coalition Government was saved from collapse yesterday by a last minute compromise with the Communist Party on a package of social security Bills.

The package, which forms part of a two-year national incomes settlement, will now be submitted to Parliament by unanimous decision of the Cabinet.

The formal threat to the Government's existence was removed when the Communists agreed to support the Bills without the reservations they had insisted on earlier. In return, they have won agreement that they will be able to press in Parliament for amendments that will benefit those in lower wage brackets.

This means, however, that the other parties can press for their particular interests.

Haig explains value of Middle East visits

BY RICHARD JOHNS, MIDDLE EAST EDITOR

MR. ALEXANDER HAIG, U.S. Secretary of State, returned from his tour of the Middle East with a greater appreciation that, in the view of most Arab states, a resolution of the Arab-Israeli conflict is integral to the maintenance of Gulf security against communist expansionism.

This emerged from his talks in London with Lord Carrington, the Foreign Secretary, that were said in Whitehall to have been held on the basis of "warm personal confidence". They centred mainly on Mr. Haig's visits to Egypt, Israel, Jordan and Saudi Arabia.

King Hussein of Jordan is understood to have been forceful in impressing upon Mr. Haig the priority given by most Arab states to a settlement of the Palestinian question rather than arrangements to defend the oil fields of the Gulf.

By contrast, the Saudi leadership gave Mr. Haig the impression that, privately, it does not object to American contingency planning for military intervention in the region and, in particular, the build-up of a rapid deployment force.

Mr. Haig's talks in Riyadh concentrated heavily on the role that the five AWACS, radar surveillance aircraft, which the U.S. has offered to sell Saudi Arabia, could play in the defence of the region.

Following his talks with Lord Carrington, it was apparent that Mr. Haig still regards the European peace initiative launched last summer with scepticism. He is insistent that any action taken by the Ten should be co-ordinated with U.S. policy because, in the last analysis, the U.S. will be responsible for any settlement and will have to bear the consequences.

Grenada accuses U.S. of 'economic sabotage'

BY LARRY KLINGER IN LUXEMBOURG

GRENADA, supported by its fellow signatories to the Lomé Convention, yesterday accused the U.S. of "economic aggression and sabotage" over the tiny Caribbean island's international airport project.

Grenada's two-year plan to build a runway capable of taking wide-bodied airliners, is opposed by the U.S. Administration which fears that the country's left-wing regime, led by Mr. Maurice Bishop, might allow Cuba to use the airport as a staging post for further military involvement in Southern Africa.

Grenada blames "undue U.S. pressure" for Britain's recent decision not to renew aid for Grenada and also for preventing EEC member countries attending a conference in Brussels next week aimed at raising $30m (£13.6m) towards the $71m cost of the project.

Maurice Bishop 'regime under attack

In a resolution circulated yesterday at the ministerial meeting in Luxembourg of EEC member states and the 61 African, Caribbean and Pacific Ocean countries (ACP) in the Lomé Convention, the developing countries called on the Community to do everything it could to attract financing for the project.

Asked if Grenada would consider making a declaration that the new airport would not be available for military use, Mr. L. R. Ramdhanny, Grenada's deputy Finance Minister replied that "all requests would be considered."

He said Britain had not been invited to next week's conference because Grenada did not want "to embarrass the British Government," adding that several British companies would be coming to Brussels to discuss possible contracts for the technical installations at the airport.

Mr. Douglas Hurd, British Minister of State for Foreign and Commonwealth Affairs, said that Britain and several Commonwealth countries in the Caribbean were concerned about the Cuban military activity question at the Brussels conference; but, as Britain had not been invited it "was not required to take a position."

West Germany, Belgium and the Netherlands have refused to attend next week's conference, while France and Italy are now almost certain to decline their invitations before the two-day meeting starts on Tuesday.

However, the conference, organised by Grenada with the technical assistance of the EEC Commission under Lomé arrangements, is expected to be attended by World Bank and Arab Development Fund officials and Canadian and Swedish delegates as well as Commission officials.

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UK NEWS

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Government dilemma over reform of Lords

By Ivor Owen

DIFFERENCES in the Cabinet over the best means of countering Labour's threat to abolish the House of Lords have still to be resolved, Mr. Timothy Raison, Home Office Minister, indicated in the Commons yesterday.

Widespread support for the view that any proposals to ensure Britain retains a two-chamber parliamentary system must be accompanied by changes in the upper chamber's composition is at the heart of the dilemma facing the Prime Minister and her senior colleagues, he said.

Mr. Raison said in a debate on a Private Member's motion calling for the preservation of the Lords that the "present rumpus" in the Labour Party over the machinery for electing its leader and making MPs accountable to their constituency parties had a lot to do with fundamental constitutional issues.

What was ultimately at stake was whether the people who elected MPs to Parliament should have the final say on how the country was governed, or whether Britain was increasingly *going to see* Government at the behest of "party apparatus."

If matters were carried to the extreme, Britain would end up with the non-democracy of Eastern Europe rather than Parliamentary *democracy*.

The direction of the movement epitomised by Mr. Tony Benn, a "skilled parliamentarian" himself, seemed to be leading away from the traditions of British parliamentary democracy, he said.

The Government was looking carefully at the arguments for legislation safeguarding the principle of a second chamber.

Mr. Raison emphasised the link between the reform and the *preservation of the Lords.* The Government needed "a further period" in which to reflect on the possibilities.

Mr. Douglas Hogg (C. Grantham), son of Lord Hailsham, the Lord Chancellor, who has repeatedly warned of the dangers of "an elective dictatorship," advocated a *reformed second chamber* with stronger powers to revise and delay legislation.

Hereditary and life peers should be excluded, and the entire membership of the reformed chamber elected at staggered intervals by a form of proportional representation, he said.

Sir Derek Walker-Smith (C. Hertford E.) urged the appointment of a Royal Commission to examine the case for a Bill of Rights.

Mr. George Cunningham, a Labour spokesman on home affairs, feared that an elected second chamber would be inimical to the advance of *progressive legislation.*

ICI signs agreement with Soviets

BY SUE CAMERON, CHEMICALS CORRESPONDENT, AND DAVID SATTER IN MOSCOW

ICI SIGNED a detailed trading agreement in Moscow this week with the Soviet Chemicals *Foreign Trading Organisation.*

Trade between ICI and the Soviets is expected to reach 100m roubles (£63m) by1985 as a result of the agreement.

The deal, signed on Thursday, follows a more general agreement between ICI and the Soviets in November.

Last year the value of ICI's exports to Eastern Europe and the USSR was £61m and it is thought that about a third of this was accounted for by Russia. But it is believed that the latest agreement will treble the value of trade between the UK-based group and the USSR.

The deal covers deliveries between 1981 and 1985 and will enable ICI to sell a range of products to the Russians, notably dyes, pigments, pesticides, insecticides, plastics, silicon compounds and surface-active agents.

The surface-active agents can be used in the making of detergents. But it is thought that the surface-active agents bought by the Russians from ICI will mainly be used in the making of oil drilling muds.

These so-called muds are used to extract greater quantities of crude from oilfields in the later stages of development after the *maximum* amount has been obtained using conventional drilling methods.

The other side of the agreement will involve the USSR exporting a number of bulk chemicals to ICI in the UK. The main Russian products exported to ICI in Britain will be intermediates for dyes and other *commodities, acids, glycols* — used in the making of a range of things from anti-freeze and brake fluids to plastics and paints—ammonia, used to make fertilisers, and methanol.

ICI said yesterday that it either did not produce at all or did not produce sufficient quantities of these products to meet its needs in the UK.

Perhaps the most interesting of the Russian products to be imported to Britain is methanol, which has a wide variety of uses and ICI insists that there will be a growing *market for* it in the coming decade. But it is expected that much of the imported Russian methanol will be used as a feedstock in ICI's production of Pruteen—the brand name for its new protein which can be *used in such things as animal* feed.

It is believed that further deals between ICI and the U.S.S.R. on trade in dyes are being discussed but the company refused to comment on this yesterday.

Trevor Humphries

FINANCIAL TIMES feature and leader writer Anatole Kaletsky with Mr. Michael Foot, the Opposition leader, who presented him with the Specialist Writer of the Year award.

Unit trusts can deal in traded options

Financial Times Reporter

UNIT TRUSTS have been given permission to deal in the traded options market.

Traded options allow investors to buy the right to buy or sell a specified number of shares in specific stock at a given price at a future date. The London market has been operating since 1978.

According to *conditions laid* down by the Department of Trade and agreed by the Unit Trust Association, the writing and purchase of call options (options to buy securities) will only be permitted in new funds which *clearly state their option* objectives and limitations at the outset.

Managers of existing funds will have to get the consent of unit holders.

Unit trust option writing, *furthermore, should always* be "covered." This means that the securities should actually be owned by the writer, and for existing funds should not extend beyond 50 per cent of the value of the portfolio. There is no such limit on new funds.

Sufficient cash should be held to cover the exercise of all options at exercise price. Existing funds will not be allowed to use more than 25 per cent of the assets on option purchases.

Only options traded on recognised exchanges can be used and they should be used "only as an additional investment tool for the control of risk."

Howe tries to quell Tory petrol duty revolt

BY ELINOR GOODMAN

SIR GEOFFREY HOWE, *the Chancellor*, tried yesterday to avert the threatened Tory backbench rebellion on the 20p petrol duty *increase* by insisting that none of the other measures suggested for raising extra revenue would have brought in enough money to allow the Government to cut interest rates.

He systematically went through MPs' ideas for raising money, including a tax on Space Invader machines and a 14-fold *increase for dog licences* and concluded that he had no alternative but to find £1.2bn by raising duty on petrol and derv.

The Budget strategy must be judged as a whole. He would not have been able to reduce interest rates had he not acted to limit public borrowing to £10½bn.

Higher borrowing with lower interest rates would have risked higher inflation. It was therefore vital to cut public borrowing, which meant higher taxes.

A group of Tory backbenchers *plan an amendment to the* Finance Bill after its Second Reading on Monday reducing the proposed increases in both petrol and derv duty.

Together with the Opposition parties they could just defeat the Government, and Ministers are working hard to defuse the opposition in their own party.

Some Tories who rebelled on the Budget vote were from rural *areas. Sir Geoffrey* was at pains yesterday to stress how much the Government had done for farmers.

He claimed that rural motorists used less petrol than commonly thought. Research suggested that rural motorists *travelled* on average about 8 per cent farther in a year than urban ones, but "the smoother nature of rural driving" meant *petrol consumption per* mile could be significantly lower.

MPs and pressure groups have said that the Government should raise taxes in other ways.

Sir Geoffrey said he had considered all the "easy alternatives."

Private group looks at NHS hospitals

BY JAMES McDONALD

UNITED Medical Enterprises, the National Enterprise Board subsidiary which is now free to operate in the UK, is taking a *cautious and wide-ranging look* at the possibilties of converting and operating redundant National Health Service hospitals as private medical centres, said Sir Richard Marsh, the deputy chairman, in London yesterday.

"We are looking at, not a dozen, but dozens of possible *projects* but we've *done* no more than that." The company had never run private hospitals, all its overseas work having been on governmental contracts.

It was "looking at the product and the geography" for projects. Since U.S. private health organisation money was moving into Britain, "obviously we are looking at the market also."

He was not yet convinced that the UK market was "particularly attractive" compared with the company's overseas results. London, the Midlands, the *North-East and the South-West* are among the regions being investigated.

If it does go into private medical centre projects, its financial investment will be "minimal," said Sir Richard. *Main capital sources for the* projects, he suspected, would be British rather than American, but he would not identify them.

There was a possibility of co-operation with such private *medical* care organisations as BUPA and Nuffield, but there had been no discussions.

The company is one of the National Enterprise Board's most profitable and, therefore, saleable investments with its 70 per cent shareholding. Commercial Union, London Trust and Orion Bank each hold 10 per cent.

On the Labour Government's insistence in 1977, it has been unable to operate private health *projects in Britain, but has built* up a thriving business exporting hospital equipment and services.

In 1979 it made a pre-tax profit of £2.4m on turnover of nearly £20m, and Sir Richard said yesterday that 1980 had been a better year, with turnover of about £30m.

It is believed that the NEB, *though committed by Govern*ment policy to selling its self-sufficient companies, is unlikely to sell the United Medical Enterprises stake this year. The company's entry into the British private medical field should increase its attraction to buyers, but the NEB said yesterday that "at the moment" no proposals had been made or were being considered.

Foot accuses SDP of misleading electorate

BY ELINOR GOODMAN

THE PUBLIC enmity between the Labour Party and the Social Democrats increased yesterday. *Mr. MichaelFoot*, the Labour leader, launched his strongest attack on the new party.

He accused it of misleading the electorate with fraudulent claims. If a soap company asked subscribers to forward cash on the same basis as the Social Democrats were asking in their recruitment literature "they'd *soon be had up for fraud.*"

The SDP leaflet, he said, reminded him of the prospectus for the South Sea Bubble. In this the purpose of the operation *were hereafter to be revealed.*"

The purpose of the "Social Democratic bubble is 'hereafter to be revealed' once they've collected your cash, once they've made a deal with David Steel, once they've discovered what policy will prove most popular according to the public-opinion *pollsters.*"

Mr. Foot said the SDP had got off to a most "dishonourable start." It was a shabby public relations exercise "with*out parallel in British politics.* Saatchi and Saatchi should look to their dirty laurels."

Meanwhile, yesterday SDP leaders refuted Mr. Foot's Thursday claim that the party's membership figures were "overcooked."

Mrs. Shirley Williams, who until a month ago Mr. Foot was trying to keep in the Labour Party, said every single one of the SDP's members was on a computer.

At a Press conference to launch her book Politics is for People she said her "dear old party" had no such records. It claimed 358,000 members in 1979, paying an annual affiliation fee of £1.25 a year. Yet the party's total income was only £203,000. "I ask you to consider which of these are the most *half baked, overcooked* and dubious."

First quarter heavy truck sales fall 37.4%

BY JOHN GRIFFITHS

FIRST-QUARTER sales of heavy trucks, those above 3.5 tonnes, were 37.4 per cent below the *same period last year at 18,664,* reinforcing the Society of Motor Manufacturers and Traders' prediction that demand this year would drop to a level not seen for more than 20 years.

Sales of all commercial vehicles in the first quarter, 54,648, were 31 per cent down on the same period last year and at the lowest level since the first quarter of 1976.

Commercial vehicle imports traditionally have declined at *periods of recession.* But the high value of sterling in the present bout allowed importers to strengthen their position, and in both March and the first quarter they accounted for 29 per cent of the market.

This compares with 23.8 per cent in March, 1980, and 23.5 per cent in that year's first quarter.

Non-car-derived vans also fare badly in March, sales falling by 35.7 per cent, to 8,071 *from 12,549. Part of this fall is* attributable to a dispute involving Ford contractors' drivers which disrupted supplies of the Transit, Britian's best selling commercial, which accounts normally for about a third of non-car-derived van sales.

This is a sector to which the Japanese importers have been devoting increased attention.

The other main sector, for vans based on cars, fared less badly. Sales were down 25.1 per *cent in March* at 6,291 (8,396), but were 28.1 per cent down in the first quarter.

The remaining commercial vehicles sector, four-wheel-drive units, has been affected least. *Sales were 5.97 per cent down* in March at 999 (1,062) and 6.2 per cent down in the first quarter at 2,775 (2,956).

University and industry link urged

A PLEA for a closer integration between universities and industry was made by Lord Kearton, *former chairman of the British* National Oil Corporation, in Glasgow yesterday.

Lord Kearton *was given the* honorary degree of Doctor of Law at Strathclyde University at a commemoration day *ceremony.*

"I hope universities will sell themselves to industry. To do so will not be easy. They will be entering a different world, where they will need a thick skin," he said.

"We want to integrate our universities much more into the industrial life and get out of the *ivory tower image," said Lord* Kearton.

Steel figures down

STEEL consumption fell in the fourth quarter of last year by just over 5 per cent to bring the fall for 1979 to 17 per cent, according to British Business. Stocks of steel at the end of 1980 were 4.29m tonnes against 4.68m tonnes at the end of the *third quarter. Consumption* of steel in the final quarter was 2.98m tonnes.

Foreign student fall

A DROP of a third in overseas applications to enter UK universities next autumn was reported yesterday by the Universities Central Council on Admissions.

Mr. Charles Dennett

THE DEATH has been announced of Mr. Charles Dennett, one of the founders of the FT Business Summary.

Mr. Dennett, who joined the paper in 1960 from the London evening newspaper the Star (which closed in October that year) for many years edited the General Summary, where his patience, professionalism and ability to handle fast-moving stories acted as a model to the younger generation of journalists who were joining the paper at the time. When he retired in 1972 he was much missed.

Our condolences go out to his widow and daughter.

Minister attacks rate rises

BY IVOR OWEN

GOVERNMENT CONCERN about the effect on industry and employment of heavy rate rises was voiced by Tom King, Miinster for Local Government, in the Commons yesterday.

"There is clear evidence that firms are paying increasing attention to the level of rates in determining where to site new ventures," he said.

Mr. King condemned Labour *controlled Sheffield city council* which has increased the non-domestic rate by 36.6 per cent to an average of 210.94p, the second highest in any metropolitan district.

BL hires computerised stock system to dealers

BY PETER CARTWRIGHT

BL has begun hiring computerised stock location facilities to individual vehicle dealers. *A pilot system involv*ing 25 distributors has been in operation for four months and 75 more are to be added in June.

BL plans to have *300 distribu*tors and 300 main dealers plugged into its central computer at Redditch by the end of next year and eventually to have all 1,700 dealers connected.

At any one time BL has about 80,000 vehicles immediately available for sale. The Viewdata system should enable dealers to establish if a model of particular colour and specifications is in stock anywhere in the network.

It should then be possible for the dealer to arrange delivery within a couple of days.

BL's principal rival Ford operates a *slightly different* system, under which its 1,200 dealers can telephone one of *six distribution offices* in the UK where *similar* information is stored.

These systems help to meet customer demands more quickly and help manufacturers adjust production programmes more efficiently.

The system being offered to BL's dealers costs about £300 a year to hire.

Bentall plans offices on west London store site

BY ANDREW TAYLOR

BENTALLS, the store group, is to seek planning permission for an 80,000 sq ft office development on the site of its store in Ealing, west London.

Bentalls, like other retailers, has been looking at the development potential of its freehold sites. The group has already announced plans for a 60,000 *sq ft office scheme and shopping* mall at the rear of its store in Kingston-upon-Thames.

The latest proposals involve moving Bentalls' existing store to rented accommodation in a shopping complex being *developde by Laing on the south* side of Ealing Broadway. Bentalls is seeking to take a 40,000 sq ft shop unit.

The move will free Bentalls' existing store for redevolpment. As well as 80,000 sq ft of offices *the plans will call for eight* shops providing a combined 15,000 sq ft of space.

The group is likely *to seek institutional* backing to finance the scheme. Hillier Parker May and Rowden is advising Bentalls, and architects for *the* scheme are T. P. Bennett and Son.

The outcome of Bentalls' application to redevelop t he rear of its Kingston store is un*likely to be decided until the* results of an inquiry into plans for the adjacent Horsefair site are published.

Jason Crisp looks at Fidelity's challenge for the colour TV market

Aiming to be a star of the small screen

"DON'T you think we have a cheek then?" asked the delighted Mr. Jack Dickman, chairman and founder of Fidelity Radio, after announcing that the company was shortly to begin making small colour televisions.

The announcement certainly *raised a few eyebrows.* The market is dominated by large companies, many from Japan. Several European companies have had less than happy experiences in colour televisions.

But Fidelity Radio is undeterred. It is embarking on this ambitious plan after a disastrous 1980. In the first six months to September, turnover fell from £10.8m to £6.15m. Pre-tax profits of £788,000 in *the same* period the previous year turned into a loss of £973,000.

Nearly 100 workers were made redundant and the rest went on short time.

Fidelity began late last year to struggle out of its plight thanks, in part, to the addition of a small black and white television to its range of radios and "mid-fi" music systems.

It was the success of the black and white sets which turned Dickman's eye towards the fast growing market for small colour sets. Fidelity is now working full-time and has rehired some of its previous employees.

The company *plans to intro*duce a 14-inch colour television complete with remote control which will sell for £200, undercutting the competition.

Most colour TVs of that size — from companies such as Philips, Thorn-EMI (Ferguson), Toshiba and ITT—cost between £210 and £230 without remote control.

Limitation

The first sets should be in the shops in July. Mr. Dickman claims most of the 40,000 sets he hopes to make this year have been ordered by distributors and multiples already.

Next year the company hopes to produce 100,000 sets. The biggest limitation is the supply of parts.

The company is buying the television tubes from Toshiba, *the Japanese company, and from* Mullard, a subsidiary of Philips, the Dutch electricals giant.

The UK colour TV market has been remarkably strong and has been growing ever since its low point of 1975-76. Total sales in 1980 were 1.94m sets, 8 per cent higher than 1978, says the British Radio Equipment Manu*facturers' Association.*

The growth has come from small sets with screens of 16 inches or less, while market for large screen sets has been declining.

Deliveries of small screen colour TVs in 1978 amounted to 175,000 sets, 10 per cent of the market, but last year rose to *nearly 500,000, representing* one-quarter of total sales.

Mr. Dickman says Fidelity can produce the small sets more cheaply than the other companies because of low overheads and a substantial reduction in the number of components used in each television.

New investment to produce the sets is £20,000—although production will involve use of existing equipment including expensive automatic insertion machines for putting parts into printed circuit boards.

The set was designed by Mr. Dickman's son, Mr. Robert Dickman, technical director and chief engineer. Fidelity Radio claims the television has 40 per cent fewer components than most comparable sets, and 10 per cent fewer than some of the latest models.

The UK television industry *has been experiencing a period* of mixed fortunes. The Rank Organisation withdrew from its joint venture with Toshiba, which is to continue on its own in a much reduced fashion.

Positive

Racal sold the Decca tele*vision plant at Bridgenorth* to the Tatung Taiwanese company, and Philips closed its factory at Lowestoft last year to concentrate production at Croydon.

But on the positive side Thorn-EMI's new range, introduced at the end of 1979, has been successful.

Mr. Clive Sinclair's tiny flat screen black and white television, no bigger than a book and costing £50, is to become *available nearly next year.* It will be made by Timex, the U.S. company, at its Dundee factory.

Mr. Dickman says that if the 14 inch colour television is a success, Fidelity Radio will consider making a 20 inch set.

UK NEWS

GEC warning over torpedo order

BY RHYS DAVID

GEC OFFICIALS have warned the Government that if it doesn't place the order for the Royal Navy's heavyweight torpedo with a UK company it could jeopardise sales in export markets of the Stingray lightweight torpedo. The Stingray factory at Neston in Cheshire was opened yesterday by *Mrs. Margaret Thatcher.*

GEC's subsidiary Marconi Space and Defence Systems is battling again with the U.S. group Gould Inc. Gould's system is competitively priced and offers substantial sub-contract work to British companies.

GEC has claimed, however, that the £150m extra the Government would have to pay for a British system is only about £7.5m a year over 20 years. This sum could be more than offset by the support, spares and refurbishment charges a U.S. contractor would levy.

GEC is also arguing that a decision against its heavyweight contender would be seen by the rest of the world as lack of confidence by the Government in Stingray, *which uses much of* the technology of the larger weapon.

The company estimates that the market for lightweight weapons is 24,000 over the next 20 years, worth £6bn, of which it would hope to win about 3,000 valued at £750m.

On top of this, worldwide sales of 2,500 heavyweight systems are predicted to be worth a further £3bn. Europe, and West Germany in particular, are seen as major potential markets for Stingray.

Some of these arguments are likely to have been put to Mrs. Thatcher at Neston yesterday, but she declined to be drawn on the likely Government decision.

"We recognise the importance to Marconi of securing this contract," she said. "We hope they will realise that price will be an important factor in deciding where the order will eventually be placed.

"Development of Stingray cost £1bn, and the more we spend on one weapon the more cost-conscious we have to be on others.

The £13m, 100,000 sq ft factory at Neston is to be Marconi's main plant for the manufacture of underwater weapons. Production is currently carried out mainly at *Portsmouth.*

About 200 people have been recruited so far, and employment is expected to rise to 500 as work on Stingray builds up. Jobs are likely to double to 1,000 if the heavyweight contract is won.

The heavyweight torpedo will use a U.S. Sundstrand engine, manufacture of which will be undertaken in a new building alongside the existing facility.

Stingray will enter service with the RN and the RAF in the next few years, replacing the existing obsolescent U.S. Mark 44 and Mark 46 torpedoes.

The two older weapons both have difficulty in reaching the depth at which Russian nuclear submarines can operate and are too slow to match new submarine speeds. A decision on the heavyweight torpedo, to be fitted in the RN submarine flotilla, is to be made this summer.

A team from Marconi is to visit Brazil next month in the hope of clinching a £9m order for the Mark 24 torpedo, the type which the new heavyweight system will replace in the mid-to late-1980s. There are hopes this could lead to significant follow up orders for Stingray in South America.

The Mark 24 is suitable for the existing requirements of the Brazilian navy but strong competition for the order is coming from Italy and Germany.

Marconi is hoping it will have the edge on competitors through a link with Brazilian engineering group Engesa, with which it already co-operates on military products.

Curbs sought on export of works of art

BY ELINOR GOODMAN

THE GOVERNMENT must take urgent steps to encourage the *retention* of major works of art in this country, the Commons Education and Arts Committee said yesterday.

The existing arrangements for encouraging owners to sell works of art to the nation were confusing and unsatisfactory, it said.

And it warned that unless these arrangements were clarified Britain might lose further important parts of the nation's heritage to overseas buyers flush with funds.

In its third report, published yesterday, the committee notes with some concern the evidence on the inadequacy of the present financial inducements to sellers to offer works of art to the nation, and the lack of a readily understandable procedure for would-be sellers to follow.

It said the capital transfer tax concession on the sale of an object of art should be increased from 25 per cent to 75 per cent. It proposed powers to delay indefinitely the export of a major work of art.

The committee has been *looking for some* time at the whole question of the funding of the arts. But it decided to conduct an urgent investigation into the problem of private owners in Britain selling major works of art to foreign buyers after the sale of the Leonardo *Codex by the trustees of the* Holkam Estate.

At the time of that sale it was suggested that the Codex might have been saved for the nation if the rules governing private treaty sales and the surrender of objects in lieu of tax had been more flexible.

The report does not investigate the particular circumstances of the Lonardo sale but does endorse the view that the current arrangements are in a "major muddle."

It says those who possess works of art meet with "discouraging delays and even obduracy in the Capital Tax Office when they seek to satisfy the present conditions concerning exemption from capital taxes."

The report recommends that the Treasury withdraws the existing memorandum which *sets out rules governing the* conditional exemption of works of art, their sale by private treaty, or their surrender in lieu of capital tax liabilities.

A new memorandum relating to works of art and heritage objects should be drawn up by the Office of Art and Libaries, in conultation with the Treasury, it says.

The committee recommends that obligations should be put on owners who apply for tax exemption. In return for exemption from capital taxes, it says, an owner of a work of art should be obliged to give a public institution the first refusal if he decides to sell.

It also recommends that the Export Reviewing Committee should have the power to recommend the indefinite withholding of an export licence if an owner wishing to sell a work *of art refuses to offer it to the* nation.

The committee suggests that in return for tax exemption an owner should be obliged to provide the Victoria and Albert Museum with details of the work of art.

Poussin painting fetches record price of £1.65m

SALEROOM

ANTONY THORNCROFT

NICOLAS POUSSIN'S painting of The Holy Family with the Infant St. John the Baptist and St. Elizabeth failed to find a buyer in the saleroom at Christie's yesterday but was sold immediately after the auction to one of the bidders, Wildenstein, the London dealer.

A reserve of 1.7m had been set on the painting by Christie's, and the vendor, the Duke of Devonshire, and bidding just failed to reach that sum. But Wildenstein secured the work for its final £1.65m bid in negotiations after the sale. Since the initial forecast had been anywhere between £1m and £2m for the painting and reserve seems high and the eventual price, a record for the artist, quite fair.

The Poussin, which had been in the family for over two centuries, has been sold to secure a sum of money to maintain Chatsworth House as a Trust. An initial target of £2m has been established and the Poussin has gone a long way to meeting this sum.

All told, the sale of Old Master paintings realised £3.59m, with a reasonable 17 per cent bought in. Other high prices were £150,000 for The Martyrdom and Last Communion of St. Lucy by Veronese, £150,000 for The Sense of Smell by Michiel Sweerts, and £110,000, bid by Hazlett Gooden Fox on behalf of the Frankfurt Museum, for St. Helena Questions the Jews by Adam Elsheimer, the final part of an altarpiece of which the museum already has the other six pieces.

At Sotheby's the Wildmann tapestry, a frieze woven in Switzerland about 1470, was northern Switzerland about 1470, was told to the Historische Museum in Basle for £550,000.

LABOUR

BA intends to shed another 3,000 jobs

By Michael Donne, Aerospace Correspondent

BRITISH AIRWAYS intends to reduce its staff by a further *3,000 in the current financial* year, bringing the total to just under 50,000 by the end of March 1982. The airline has already shed about 5,600 since the summer of 1979.

Mr. Peter Hermon, management services director, says in *the latest* issue of British Airways News that the airline has cut its staff by 10 per cent in 18 months."

Mr. Hermon says: "Starting from a baseline of over 17,000 (admin personnel) our eventual objective will be to reduce this strength by about 5,000 people, or about 30 per cent. That would eventually bring us down to about 12,000, which is very much closer to the kind of efficiency figures that our competitors set."

He says BA expects to go on slimming beyond the end of 1982, but it recognises that the leaner it becomes the harder it will be to make further economies.

Mr. Hermon stresses the reductions are being achieved by natural wastage and limits on recruitment, combined with early retirement. The airline is not making enforced redundancies.

● The UK is continuing to press continental governments and the EEC to simplify procedures for the introduction of air services between UK regional airports and the Continent.

Mr. John Biffen, Secretary for Trade, said at a ceremony marking the start of work on a new terminal building for Birmingham Airport yesterday that it *was government policy to pro*mote the use of all airports, not just those in the South-East.

He said that spending by local authorities on new airport developments in 1981-82 was £27.5m, compared with an annual rate of between £2m and £5m in the years from 1975 to 1979.

"The Government also recognises the special problems of those local authorities responsible for airports, and has made special arrangements so that the Department of Trade may make capital expenditure allocations to implement projects of national or regional importance.

"This will avoid the need for difficult choices by these authorities between investing for commercial purposes in their airports and financing some other much-needed local service.

Government may break Civil Service deadlock

BY PHILIP BASSETT, LABOUR STAFF

MINISTERS are considering whether to strengthen next week's expected parliamentary statement on the Civil Service pay dispute to draw union leaders back into negotiations.

Senior officials of the Council of Civil Service Unions have repeatedly said during the course of the dispute, which enters its sixth week on Monday, that they see no point in further talks with Ministers unless there is a prospect of some improvement in the present pay offer.

The offer would give increases of 7 per cent, together with a formula for settling pay in the future. Civil Service Department pay officials are still working on the details of a *future pay system.*

The statement on the dispute, which is likely to be made on Wednesday by Lord Soames, the Lord President of the Council, will be a re affirmation of the Government's position that no more than 7 per cent is available.

There is, however, active discussion among Ministers as to whether some small concession should be held out to try to get *talks re-started.*

Treasury Ministers are thought to be against making any concessions, including arbitration, which is seen as handing over the Government role of economic management to an outsider.

However, the unions will today announce a package of disruptive measures for the Easter holiday, which are again likely to hit ports and airports.

The unions are also planning a large-scale lobby of Parliament, and a further demonstration on *Monday outside* the Inland Revenue's office in London.

Union leaders were yesterday still awaiting developments at the Clyde nuclear submarine base, where it is thought the Navy may be used to take over the jobs of striking civilian staff.

There were reports of a signal from the base suggesting the Polaris submarine most directly threatened by the action, HMS Resolution, is due to dock at the Faslane base at 4 pm on Monday.

But union officials were not entirely convinced of the veracity of the signal and will remain ready to respond should the more likely move of bringing in the Navy at the weekend be made.

Yesterday, the Prime Minister, who attacked the strikers for putting personal gain before the defence of the realm, was jeered by civil servants on a visit to Cheshire.

And in Dublin the Irish Export Board said "precious little" was getting through the unions' blockade of the Republic.

Hospital workers accept offer

BY PAULINE CLARK, LABOUR STAFF

GOVERNMENT HOPES of securing a 6 per cent ceiling on wage rises in the health service this year were encouraged yesterday. Two of the biggest unions representing hospital ancillary workers reported that a clear majority of members favoured acceptance of a cash-limits pay offer.

The 250,000 ancillary workers, including porters, kitchen staff and ward orderlies, are the biggest non-professional group employed in the health service.

Their acceptance of a cash-*limits deal would have* a close influence on the outcome of wage negotiations elsewhere in the sector over the next few months.

The National Union of Public Employees and the General and Municipal Workers Union said yesterday that consultations with members and branches had shown a majority for acceptance of a 15-month 7.5 per cent deal giving a £4.60 a week increase in basic rates.

This was in pereference to a second option in the employers' latest offer of a straight 6 per cent pay rise over 12 months giving a £3.65 increase in basic rates.

Union negotiators described both options as inadequate because they failed to take account of cost of living increases. However, they favoured *the 15-month offer* because it gave a cash increase for the year comparable to the 7.5 per cent award to local authority manual workers.

The preferred offer also concedes an additional day's holiday for those with less than five years' service and for those with more than 10 years service. It would move the group's annual pay-settlement date from November to April.

NUPE said yesterday a clear majority of its 148,000 members in the group voted for acceptance of the 15-month offer. They had been warned that if both options were rejected the only alternative was industrial action.

The union said it was preparing to embark on a campaign to secure a better deal for the group in the future.

The General and Municipal Workers Union said consultations on the offer among its 10 regions resulted in overwhelming acceptance, with only two against. It said the offer would give an 8.5 per cent increase on the lowest basic rate to bring it to £59.05 a week.

Rockware deal will expand UK interests

Financial Times Reporter

ROCKWARE KINGSPEED, the packaging machinery subsidiary *of the Rockware Glass group,* has signed a licensing agreement with the U.S.-based Standard-Knapp group, aimed at strengthening its position in the UK market and abroad.

Through this agreement and an earlier one with Dan Conveyor of Denmark, Rockware hopes to capture about a quarter of the £40m UK market within five years—mainly at the expense of the European manufacturers who currently dominate it.

As part of a campaign to diversify out of glass making, Rockware entered the field of handling and packaging systems for the food and drink industry four years ago with the acquisition of a factory at Hull.

It employs 200 people there and plans to double the figure within five years.

Mersey dockers claim 'substantial increase'

FINANCIAL TIMES REPORTER

JOINT TALKS have opened on Merseyside about the annual pay award due at the end of this month for the 4,000 registered dockers. The Docks and Waterways Branch of the Transport and General Workers' Union has submitted a claim for a "substantial increase" to meet the rising cost of living.

It will be considered by the Port Modernisation Committee before detailed discussion. The claim includes fringe benefits such as increased bonus rates, more sick pay and an extra three days' holiday, bringing the total to five weeks.

The union wants a review of the 35-hour week, conceded in principle nine years ago but not *yet implemented, and of differ*ential allowances.

By the time of final agreement, up to 1,000 dockers are expected to have left the register on voluntary redundancy, taking the increased severance pay of £16,000 for a man with 20 years' service.

● Fruit and vegetables worth £1¼m were rotting yesterday at Felixstowe, Suffolk, where 1,100 dockers have been on strike for 12 days.

Talks between dockers and management have broken down. The men refuse to work till plans for working conditions which they fear would cost them £3 a week are withdrawn.

● Swansea Docks were halted yesterday after a large-scale police investigation into alleged theft of materials. About 200 *engineers and supervisors* walked out in protest. They say innocent people were "grilled"

Lucas announces job cuts

By Arthur Smith, Midlands Correspondent

LUCAS ELECTRICAL announced details yesterday of rationalisation plans to cut 2,100 jobs at 16 sites.

The company also warned union leaders that changes in working practices and improved productivity were crucial to future success.

It is only the first move as the company adjusts output to the sharp downturn in the automotive sector.

Mr. Godfrey Messervy, Lucas Industries chairman, told shareholders that up to 4,500 jobs could go. He announced a first half pre-tax loss of £27.47m.

Lucas last year gave a lead in the motor industry with a tough "take it or leave it" 10 per cent pay offer. The *company has indicated to* shop stewards that a similar stance can be expected this year.

The level of job cuts and productivity advance are linked to the assumption of a single figure wage award.

Lucas Electrical hopes the 14 per cent cut in its labour force of 14,000 can be achieved mainly by voluntary redundancies and natural wastage. About 3,000 jobs were shed last autumn, but *the downturn in UK vehicle* output has since accelerated.

Tyneside shipyards back action on redundancies

BY JOHN LLOYD, LABOUR CORRESPONDENT

FURTHER SUPPORT for industrial action over redundancies came from 3,500 shipyard workers on Tyneside yesterday.

About 2,000 workers at Tyne Shiprepair yard voted to support the call from the Confederation of Shipbuilding Unions for industrial action over the 628 compulsory redundancies declared by British Shipbuilders.

A further 1,500 workers at Swan Hunter Shipbuilders also voted for industrial action. The Swan Hunter men also followed the example of more than 3,000 boilermakers and electricians in the yard who, earlier in the week, had rejected the 7.5 per cent pay offer recommended by the CSEU.

The Tyne Shiprepair Group workers voted to accept the pay deal, in common with workers *from other yards throughout the* country who voted this week.

APPOINTMENTS

R. S. Upsdell to join Courage Board

Mr. R. S. Upsdell is to join the Board of COURAGE on May 1 and at the same time he will become chairman and managing director of Courage (Central).

He moves to Courage from the position of managing director of Hawley Leisure. Prior to that appointment he was chairman and chief executive of EMI Leisure and a divisional director of EMI. From 1973 to 1977 Mr. Upsdell was a group executive director of the Ladbroke Group where he had management responsibilities for the hotel, holiday and entertainment divisions.

★

Mr. James Lee has been appointed as chairman of GOLDCREST FILMS INTERNATIONAL. He is deputy chairman and chief executive of Pearson Longman, *which owns* just under 40 per cent of Goldcrest in partnership with a number of major British financial institutions.

★

Mr. Roger Baldwin has resigned as vice-chairman and executive *director of* NEWMAN INDUSTRIES.

★

Mr. David Warburton has been appointed to the Board of FISONS scientific equipment division as finance director, from mid-May.

★

Mr. Robin Harrison has been appointed an assistant director of CBI SCOTLAND.

★

Lord MacFadzean is to retire from the Board of MIDLAND BANK on May 6 after 22 years as a director, including nine years as a deputy chairman.

★

Mr. H. L. I. Runciman and **Mr. Charles Connell** have been appointed directors of the SCOTTISH NATIONAL TRUST COMPANY.

★

The SHEFFIELD TWIST DRILL AND STEEL COMPANY has appointed **Mr. P. R. Metcalfe** as a director of the Dormer Tools division. He will be responsible for all marketing and sales and succeeds **Mr. J. A. Dormer**, who is leaving the company for personal reasons. The *appointment will take effect* from June 1, at which time **Mr. R. E. Tunstill** will become general manager of SKF and Dormer Tools of Canada. Mr. Metcalfe will continue as president of that subsidiary.

★

Dr. Ademaro Lanzara, former general manager of Lavoro Bank AG Zurich, has been appointed chief manager of BANCO NAZIONALE DEL LAVORO, London branch. He succeeds **Count Niccolo Caissotti di Chiusano**, who is leaving London to take up another position.

★

ARISTON ALLOYS, a member of the London and Midland Industrials group, has appointed **Mr. F. W. Bailey** managing director.

★

Mr. David Dryer and **Mr. Derek Potts** *have been appointed* full directors of BIS APPLIED SYSTEMS.

★

Mr. Robin Menzies has become a partner in BAILLIE GIFFORD AND CO., investment managers, Edinburgh.

★

Mr. G. A. B. King, who retired as managing director of BP Shipping on March 31, has been appointed a director of SAMUEL HODGE.

★

Mr. T. G. Holloway is to join the Board of LAMBERT BROTHERS (UNDERWRITING AGENCIES) and will become active underwriter of non-marine syndicate 604/5 in place of **Mr. A. C. Wallace**, who retires at the end of this month.

★

Dr. B. H. Wormsley and **Mr. J. J. Hobbs** *have been appointed* to the Board of ELECTRICAL & INDUSTRIAL SECURITIES.

★

Mr. J. G. Perks, chairman of CONCENTRIC, is to retire at the end of June for health reasons.

★

Mr. James Cook, Mr. James R. Glancy, Mr. Patrick P. Harkin, Mr. Johannes H. J. McQueen, Mr. E. Graham Meek, Mr. Robert J. Openshaw, Mr. Peter A. Rice and **Mr. Ian H. Stephenson** have joined the partnership of WOOD, MACKENZIE & CO., stockbrokers of Edinburgh and London.

★

Mr. Alastair Ramsay is to join the main Board of the OILFAB GROUP this month as director responsible for project services.

★

Lord Windlesham has been appointed a trustee of the *BRITISH MUSEUM*, succeeding **Lord Boyle of Handsworth**, who has resigned. Lord Windlesham has been managing director, ATV Network and a director, Associated Communications Corporation since 1975.

★

Mr. Ray Pryor has been appointed managing director of SYDNEY DEVELOPMENT (UK), a new subsidiary of Sydney Development Corporation, Canada.

★

ELI LILLY AND CO. has transferred **Mr. G. J. Osborn** to *European operations as financial* director and he has been succeeded as director of manufacturing operations at Basingstoke by **Mr. P. Granadillo**, director, European production co-ordinator since June last year. **Mr. H. B. Hays** is moving from Indianapolis to London as financial director, Lilly Industries.

THE WEEK IN THE MARKETS

Poised before the high ground

LONDON

ONLOOKER

The FT 30-share Index is poised to break onto new high ground. Strong on Wednesday and Thursday—the final day of the last account—the market finally succumbed to the temptation to take profits yesterday and the all time high of 558.6 reached in May two years ago remained tantalisingly just out of reach. Still, it has plenty of time in the current three week Easter account to go for a new record, and the more broadly based All-Share Index has already broken the barrier.

Confidence rebounded swiftly from the announcement on Tuesday of the banking figures for the month to mid-March. These showed that sterling M3 had risen by ½ per cent, despite heavy sales of Government stock, when it had not been expected to rise much at all.

Yet when the market had had time to interpret the figures, it was decided that this unexpected expansion of money stock need not dampen hopes of a further cut in Minimum Lending Rate in the foreseeable future.

The gilt-edged market has been thin and sluggish almost all week but equities were quick to shake off the depression. Share prices jumped ahead, helped in several instances by shortages of stock in second line issues and the belief that investors can start looking for a determined recovery in industrial profits next year.

Once again, shares in the manufacturing giants whose profits and employment suffered most from the recessionary blows last year have been in fine fettle. The construction and building materials sectors have also advanced, responding as quickly as ever to a shift in the trend of business confidence and, to hopes of lower interest rates.

Brick stocks

The building materials sector is as good an example as any of strong stock market performance in the face of very poor conditions in 1980 and the lack of solid evidence that the current year will be any better. The catalyst for sharply rising share prices is the hope of a pronounced upturn in 1982.

Many of the influences governing London Brick's dismal second half—reported this week—had been plainly signposted. Demand in the first six months had been quite encouraging but from the early summer onwards volume dropped sharply and margins came under heavy pressure. More importantly, stock piles started to grow alarmingly and London Brick was faced with the difficult choice of maintaining production, and bearing the financing burden which soaring inventories entail, or chopping capacity right back.

After months of waiting and hoping, the group finally bit the bullet in February and announced that its big Ridgmont works will close from the end of next month.

Stocks are now thought to be standing at 15 weeks production or around 500m bricks. The time required to clear this pile is expected to delay any recovery in margins, whatever the demand outlook, and the group as a whole is not expected to produce very much more than £6.5m-£7m this year. Given that it made £7.2m in the first half of 1980 alone, before slumping to just £3.3m in the subsequent six months, support for the shares is based on projections for a cyclical recovery in 1982.

The hopes which are now being built up for next year are pinned on the private housing market. The housebuilders themselves are sounding more optimistic on the basis of building society allocations over the short term and demand is probably strong sufficiently to boost currently narrow margins towards the end of the year.

The City is anticipating a probable 20 per cent rise in housing starts next year—after a small drop in 1981—which assumes strong recovery in the private sector and at least stability in the level of local authority construction.

An upturn on this scale would give the brick and cement manufacturers some sort of time scale for stock reduction. It is by no means certain whether the expected rise in housing and home improvement will be in construction activity for major capital projects.

INDEX PERFORMANCE SINCE MARCH BUDGET

	Y'day	% change since Mar. 10	1981 High	1981 Low
F.T. Ind. Ord. Index	551.3	+13.8	551.3	446.0
Allied Breweries	70½	+10.1	73	62
BOC Int.	136	+19.3	137	101
Beecham	183	+12.3	185	159
Blue Circle	422	+15.3	426	326
Boots	237	+ 5.3	251	219
Bowater	269	+35.2	270	171
BP	380	− 5.0	420	362
Brown (J.)	90½	+26.6	92	54½
Cadbury Schweppes	96	+26.3	97	68
Courtaulds	67	+13.5	68	50
Distillers	199	+ 9.3	199	178
Dunlop	68	+15.2	71	57
GEC	685	+ 7.5	697	573
Glaxo	322	+15.8	324	242
Grand Met.	198	+15.1	199	138

	Y'day	% change since Mar. 10	1981 High	1981 Low
GKN	164	+16.3	167	127
Hawker Siddeley	334	+18.4	336	230
ICI	266	+ 6.4	326	226
Imperial Group	74	+ 2.8	76	67
London Brick	75xd	+ 5.6	81	58
Lucas	210	+18.6	211	159
Marks & Spencer	128	+10.3	129	110
P&O Defd.	154	+23.2	154	112
Plessey	328	+ 5.1	336	255
Tate & Lyle	178	+ 9.9	180	128
Thorn EMI	374	+24.7	378	282
Tube Invs.	218	+ 6.9	220	158
Turner & Newall	100	+33.3	102	70
UDS	83	+ 9.2	85	64
Vickers	179	+14.0	180	129
F.T.A. All Share	319.51	+ 8.2	319.51	278.20

Standard topped

On Tuesday the unthinkable happened to Standard Chartered Bank. The Hongkong and Shanghai Banking Corporation announced that it was launching a rival bid for the Royal Bank of Scotland which valued the latter at about 50 per cent more than the Standard Chartered terms.

The directors of Royal Bank cannot have been too comfortable with the development either: for they had recommended the Standard Chartered deal to shareholders, and had made it only too celar that they were emotionally in favour of joining forcese with that bank.

But all is not yet lost for Standard Chartered. Indications from the vicinity of Threadneedle Street suggest that Bank of England is not too keen on the idea of a takeover by Hongkong and Shanghai. On the other hand, it has already sanctioned the Standard Chartered bid.

By yesterday the betting among all the parties involved was that both bids would get referred to the Monopolies Commission—if only for a cooling off period. Expectations are that the authorities will reveal their hand early next week, so as to keep uncertainty to the minimum.

Use of the Monopolies Commission in this particular case would be justified more on grounds that Hongkong and Shanghai—a foreign bank, despite what it now claims—is seeking to buy a major British bank, rather than that either deal would reduce competition in British retail banking.

Mail disorder

If anyone needed further evidence of the sorry state of the mail order sector after the profit setbacks at Freemans and Littlewoods it came this week with the full year results of Empire and Grattan.

The figures themselves provided no real surprises. Empire's profits fell from £7.38m to £5.61m while Grattan perked up from its dismally low level of a year ago to show a £740,000 rise to £3.11m. As predicted Grattan cut its final dividend almost in half.

The sector is going through one of the biggest slumps it has seen for years. A 13 per cent sales rise in the February-July period last year was followed by a fall of 3 per cent in the six months ended last January. Volume had collapsed; at Grattan, they estimate a fall of a fifth for the year as a whole.

The mail order companies' problems are clear enough. Not only are they dealing with a deep recession but the defensive actions of the high street retailers — endless "sales" and free credit — have really piled on the pressure.

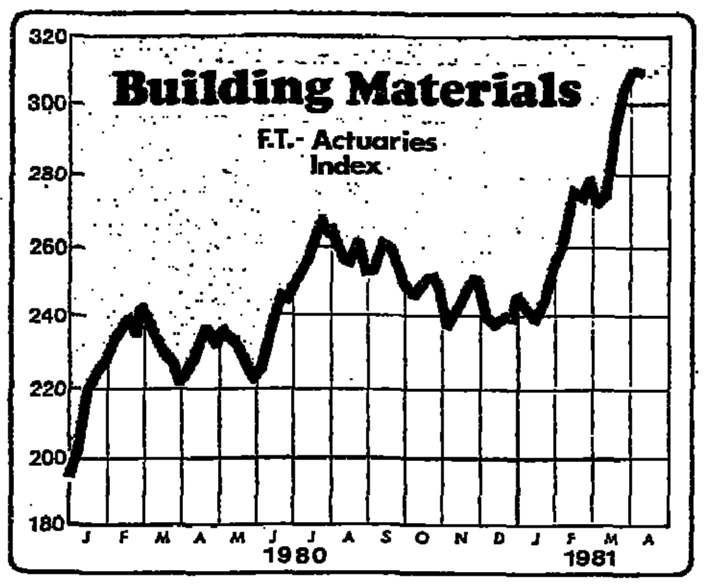
Share prices have reflected the trading strains. All the three independents have underperformed the market by a wide margin. Empire in particular has been weak with a relative decline of more than a third over the past 12 months.

However the sector is not without its supporters. Their argument runs along the lines that falling interest rates and lower inflation levels can only be good news for mail order and a profits recovery is on its way.

To a certain extent the argument holds water but the pessimistic remarks by both Empire and Grattan this week endorse the view that the trading recovery which they so desperately need is still a way off.

The "bulls" also point out out that hefty interest savings must be in the pipeline. Grattan, for example, has cut its borrowing from £33m to £14m in the last year. Yet borrowing in the mail order sector is a natural barometer of activity and once demand starts to pick up—and thoughts are that this might come in the latter half of the year—debt levels will again be on the increase.

It is this financial exposure which is, perhaps, most often latched on to by the "bears." The need to fund substantial working capital limits the companies' ability to respond to the technological advances that must overtake retailing in the 1980s.



Bowater's U.S. star

Bowater is not short of rumours. It was being suggested, for example, that the paper manufacturer was contemplating a rights issue on the back of its strong share price performance. The price rise has, in turn, been influenced by thoughts of a bid from the U.S.

The group is, however, short of domestic earnings.

The action Bowater has taken to staunch its principal UK lossmakers has also helped to encourage buyers. This surgery came too late to help profits in 1980 and, hit by the recession, domestic trading profits dropped from £32.2m to £13m last year.

The packaging and tissue businesses in the home market have performed quite well but they have been comprehensively upstaged by the growth of the North American paper interests. Volume has been rising to match increased capacity and price rises have been made to stick. North American trading profits accounted for three quarters of the group total on only 23 per cent of turnover. Margins are expected to tighten a little this year but at least the benefits of loss elimination should improve the UK contribution.

Grand old lady

NEW YORK

PAUL BETTS

LIKE THE matriarch holding a large family together at a time of stress and anxiety, Ma Bell came to the rescue of a supersensitive market shaken all week by a sell off in the oil sector, volatile interest rates back on an upward march and general disappointment over the first batch of the latest corporate quarterly results.

Ma Bell's distinctively upbeat performance in recent sessions was sufficient to generate in the market the sort of confidence on the part of investors to keep the Dow hovering around the 1,000 level. It is hardly surprising. Ma Bell, of course, is the popular name for American Telephone and Telegraph (AT and T), the predominant telephone company in America which owns about 80 per cent of all U.S. telephone services.

It is also the most widely held stock in the world. Its family of shareholders counts about 3 million people. General Motors has a meagre 1.2 million shareholders. It is the classic "widow and orphan" stock. It has never stopped paying a dividend—even during the great American depression. 10,000 or more major corporations or institutions own its stock. 5,000 churches and 13,000 cemeteries belong to the Ma Bell family of shareholders. The company claims that its shareholders are a particularly loyal and peculiar bunch at times. They even want to transfer their stock on some occasions to their favourite pets, the telephone company claims.

So how come the grand old lady of the stock market has made such a remarkable come back on the Wall Street stage? Since the beginning of the year, the stock has gained about $8, and it looks set to move up to new heights.

In the past few days, a number of significant developments have helped to revive confidence in Ma Bell. The telephone company is currently fighting the biggest anti-trust suit ever filed by the U.S. Justice Department, which for the past six years has been seeking to split up the giant telephone company on the grounds it has unfairly monopolised the U.S. telecommunications industry. But the Justice Department now appears increasingly isolated within the Government itself.

The Pentagon has asked it to drop its anti-trust case on the grounds that a break-up of the Bell system would weaken national security. As an AT and T official remarked this week: "The Pentagon would look a bit silly if they could not ring up their allies to tell them that they've just got news of a nuclear explosion." The Federal Communications Commission is also at odds with the Justice Department. It has agreed to allow AT and T to enter new unregulated businesses like data processing as long as the telephone company sets up an independent subsidiary to operate in these fields. And Ma Bell is already planning to create a new subsidiary, Baby Bell, by next March to enter into these new expanding communications sectors where it will be competing against such Giants as IBM, Xerox and Exxon, among others.

Then, despite warnings by the Justice Department's new anti-trust chief, Mr. William Baxter, that he planned to litigate the case "to the eyeballs," the FCC came out with another significant ruling in Ma Bell's favour this week. Breaking a 12-year regulatory bottleneck, it gave the go-ahead for a revolutionary mobile telephone service which the FCC itself described as "the coming of a new era. Dick Tracy comes true." What it involves is an agreement by the FCC to begin licensing a new type of radio system, in which Ma Bell is likely to have the lion's share, whereby millions of simultaneous conversations will be able to be made in hand held telephones, telephones carried in brief cases and telephones in cars.

As soon as the FCC made its announcement, Ma Bell came out with its own on Thursday. AT and T has been developing the necessary cellular technology at its Bell labs for two years. Barring legal challenges, the telephone company will apply as early as this year for licences to provide the new cellular mobile telephone system.

MONDAY	994.24	−12.87
TUESDAY	992.89	− 1.35
WEDNESDAY	993.43	+ 0.54
THURSDAY	998.83	÷ 5.40

Around the world . . .

INVIGORATING AS a local bull market may be, the return on equities in London over the three months up to the end of March was outstripped by what UK investors could obtain in many other capital markets.

Stockbrokers Wood, Mackenzie calculated these figures of total return by adding the monthly movement in index values to the expected gross dividend income. On this bsis, the FT Actuaries All-Share Index returned 7.6 per cent in the quarter.

The returns in Italy were the most spectacular. Even allowing for the depreciation of the lira, which takes 20 per cent off the returns available to UK investors, the last three months yielded a heady 36 per cent. This keeps up the momentum of 1980, when the Italian markets were easily the world's outstanding performers.

The financial sector is still leading the way, spearheaded by Toro Assicurazioni. Strangely, when the international insurance cycle has yet to turn upwards, this insurance company has been by some way the most dynamic share in any world market of those tracked by Capital International since the beginning of the year. It has gone up by over 150 per cent and carried its major shareholder — the Centrale conglomerate — along in its slipstream.

Italian companies have lately been unleashing rights issues in ample quantities, but the flow of funds into what remains a very illiquid market is quite sufficient to keep the pressure up.

Singapore has been only slightly less impressive in sterling terms; the local rate of return was 25 per cent, and in this instance a 6.6 per cent hardening of the Singapore dollar has pushed up the sterling rate to over 33 per cent.

A relative weakness of the Malaysian currency has made for an aggressive flow of funds onto the Singapore exchange, and scarcity of land has led to the uprating of many land-owning companies on a scale which assumes immediate exploitation of that asset. Shares have moved to very fancy multiples—sometimes more than 100 times earnings.

The contrast with Hong Kong—where the Hang Seng index has slipped back nearly 150 points since January—is striking. Returns on share prices there have been negative whichever currency they are taken in. One reason for the contrast must be high interest rates in Hong Kong, which have been squeezing the local market. But it also seems that U.S. pension funds have been switching their attention to Singapore, partly influenced by the resource content of many companies quoted there.

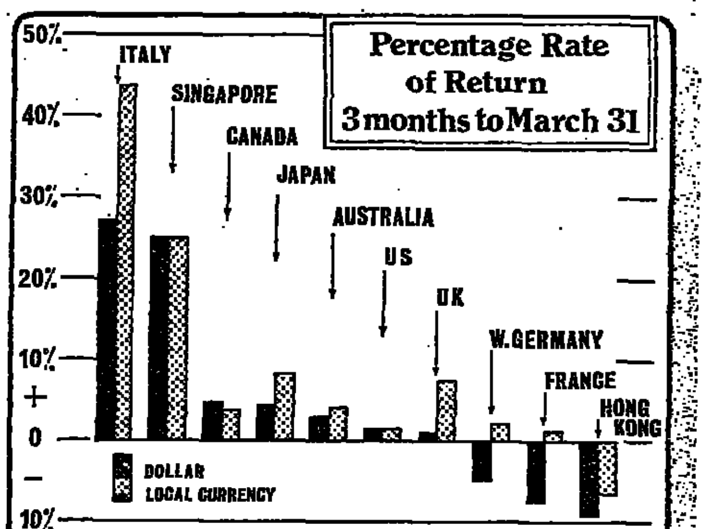
Tokyo has recently come up time in years. Hence the with a rush, reaching a new high this week, but it had a disappointing start to the year—explaining the relatively sedate performance over the whole three months. Still, it outscored London by a cool 46 per cent.

Other smaller markets have also done well. Sweden shines, as it shows the benefits of looser controls on investment from abroad, while new tax concessions—à la Monory—have made the personal sector a net investor in equities for the first sterling return of 20 per cent.

Weaker showings from the French and German markets reflect mostly the state of the two economies, overlayed in France by an almost barometric sensitivity to nuances of the Presidential campaign:

Lastly, the U.S. market—accounting for over half the capitalisation of the world's exchanges—has returned 8.1 per cent, in sterling terms. It seems that neither the bearish announcements of some chartists nor high primes could keep Wall Street down. The Dow still keeps nudging 1,000, perhaps keeping its eye on the persistent upward trend of industrial production.

Ueremy Stone



RTZ—better times to come

MINING

GEORGE MILLING-STANLEY

THE RECENT outbreak of takeover fever surrounding mining companies seems to have died down for the time being. The $1.77bn (£0.8bn) agreed bid by the BP subsidiary **Sohio** for **Kennecott**, the leading U.S. copper producer, awaits regulatory approval, and meanwhile Sohio management has turned its attention to the "on again, off again" purchase of coal properties from **U.S. Steel**.

The two companies announced that a deal worth $750m had been called off barely a month ago, and this week they surprised everybody with the disclosure of a similar-looking agreement worth $700m. The coal properties and reserves involved in the current arrangement, which Sohio and U.S. Steel expect to close in the second half of this year, are in West Virginia, Pennsylvania, Utah and Illinois.

Another of the target companies, **St. Joe Minerals**, has found a "White Knight" in the shape of **Fluor Corporation**, one of the biggest process engineering companies in the U.S.

Fluor is to take over St. Joe in an agreed merger which places a value on the company of $2.7bn, about one-third more than had been offered by **Seagram** of Canada, the world's largest distiller.

And what about the biggest of the lot, the world record takeover offer or nearly $4bn from **Standard Oil of California** (Socal) for Amax? The latter has apparently heard nothing from the oil company since the offer bombshell was dropped at an Amax board meeting in March.

The whole business is beginning to have the eerie feel of a re-run of 1978, when Socal offered about half of the present bid price for Amax, the jewel in the crown of the U.S. non-oil natural resources industry.

At that time, Socal made its offer to the Amax board, which rejected it, and the giant oil company quietly backed away. There is a strong feeling among Amax top executives that exactly the same thing will happen this time around, too.

One thing that is beginning to emerge on this subject is a feeling of slight regret at Amax over the original decision, taken in 1975 when Mr. Ian MacGregor, now chairman of **British Steel**, was head of Amax, to invite participation from Socal.

Amax needed the oil company's money at that point, and got it in exchange for 20 per cent of its equity, but the mining company has paid a fairly considerable price in terms of management and board time since then in preventing Socal from using this stake as a base from which to acquire the whole of the company.

Socal's holding is beginning to look a little like the sword of Damocles, and Amax would probably like to see the stake change hands.

Newmont Mining, Phelps Dodge and **Asarco** were widely touted as the next on the oil majors' shopping list of mining companies, but nothing has so far been made public in the way of approaches to these companies. And even our own **Rio Tinto-Zinc**, for long regarded by some analysts as prime takeover material, seems to have remained undisturbed in the recent wave of activity.

Takeover speculation around RTZ has never been very firmly based, however. The UK obtains a significant proportion of its uranium supplies from the group's **Rossing** mine in South West Africa/Namibia, and the British Government would be decidedly reluctant to allow control over such a strategic material to pass beyond these shores.

RTZ's 1980 results are due in the coming week, and it is a common pastime among analysts at this time of year to estimate the likely outcome.

The game is made somewhat easier by the fact that we already know the results of the group's Australian arm, CRA, which regularly accounts for about one-third of the consolidated total. Add in **Palabora**, the South African copper producer, and **Rio Algom**, which groups the Canadian interests, and we know the contribution from RTZ companies which normally make up about half of the total.

These interests all did rather better in 1980 than in the previous year, but that is not necessarily an indication for the group as a whole. This column will make no precise forecast, beyond the tentative suggestion that the final outcome will probably not be much different from 1979's figure of £149.8m in attributable profits.

This week saw the publication of annual reports from several major subsidiaries of RTZ, and the chairmen are uniformly gloomy on the subject of prospects for 1981.

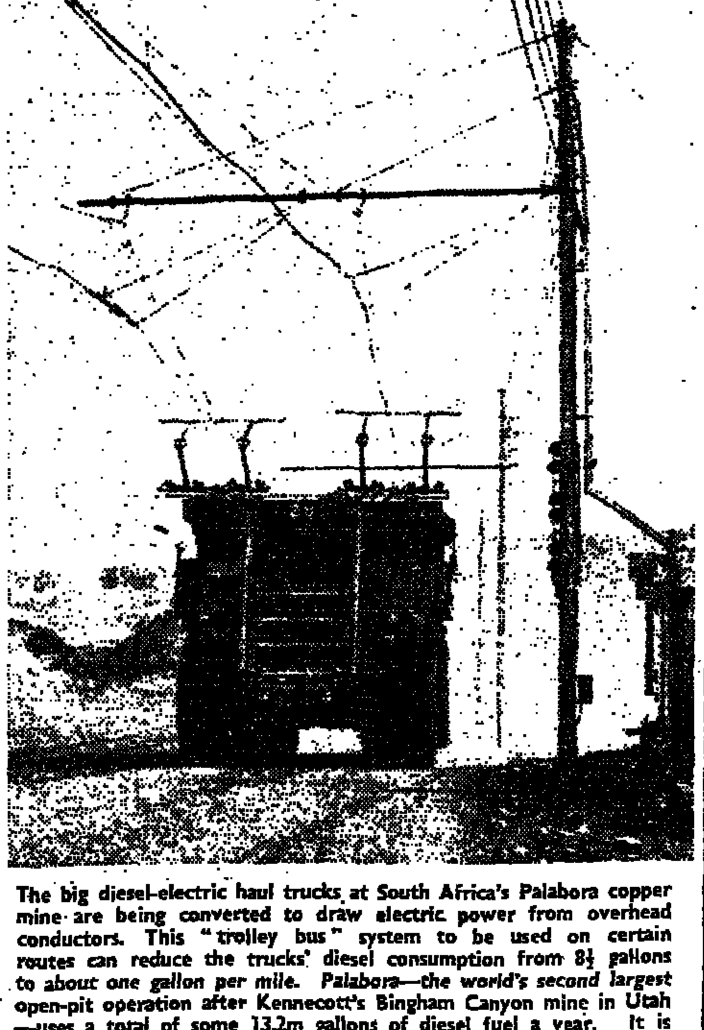
This bodes ill for the group in the current year, and most analysts are agreed that RTZ's 1981 results will show a decline in profits. But there could be some signs of hope for the group in the recent comparative strength in base metal prices.

Copper prices are 10 per cent or so higher now than they were a couple of months ago, lead has risen about 30 per cent over the past two months, and zinc is trading at more than £100 a tonne above the low last June of £280 a tonne.

One reason for the strength in prices is the low level of stocks in the hands of producers, merchants, stockists and industrial users. These have been continuously reduced over the past couple of years, to the point where surplus stocks have all but vanished.

Beyond that, there have been some sharp cutbacks in smelter capacity, and some of the mines have postponed investment programmes and are making do with lower production from low-grade ores.

If the recent price strength proves to be more than just a touch of spring fever, RTZ could well be in for a better 1981 than many people think.



The big diesel-electric haul trucks at South Africa's Palabora copper mine are being converted to draw electric power from overhead conductors. This "trolley bus" system to be used on certain routes can reduce the trucks' diesel consumption from 8½ gallons to about one gallon per mile. Palabora—the world's second largest open-pit operation after Kennecott's Bingham Canyon mine in Utah—uses a total of some 13.2m gallons of diesel fuel a year. It is hoped that the trolley-assist system will save up to about 4.4m gallons a year.

UNIT TRUST AND INSURANCE OFFERS

	Page
M & G Group	1
Tyndall Managers Limited	7
Legal and General Unit Trust Managers	7
Henderson Unit Trust Management Limited	15

FINANCE AND THE FAMILY

No right to a tenancy

BY OUR LEGAL STAFF

We own a house which was let to a Mr. X in approxmately 1921. Mr. X died in 1969 and his widow took over the tenancy. Since then, Mrs. X has continued to live in the house together with a lady about 20 years younger and this lady (now around 60 years old) evidently went to live with the family as a teenager and has continued to live there as part of the family. There is no blood relationship.

Would you consider that this lady would have any rights to the tenancy in the event of the death of Mrs. X? If your answer is "No," would you please advise me as to what imediate steps to take regarding rent collection, rent book etc. in the event of the death of Mrs. X?

Unless it could be shown that Mrs. X in some way became in loco parentis to the person residing with her, there is no protection available to that person. On the death of the tenant you should refuse any payment tendered by anyone other than Mrs. X's personal representative, and that only for any actual arrears of rent. No rent book should be issued, and the old one should be retained if it comes into your hands.

VAT maintenance and improvement

You published last autumn in your "Finance and the Family" Saturday column, that a judge had ruled that the replacement of cast iron rain gutters by plastic ones did not attract VAT since it was not considered as maintenance, but improvement. With this in mind I challenged the ruling of the local VAT office that the replacement of soft limestone paving slabs by hard pennant stones in my patio was maintenance. They replied that the work does attract VAT and is not *considered to fall within* Group 8 of Schedule 4 of the Finance Act 1972 as amended. What, please, is your comment?

You are correct in stating that we published an article relating to VAT which stated that a judge had ruled that replacement of cast iron gutters by plastic ones did not attract VAT. Unfortunately this particular extract from the judgment was incorrect. What the judge actually said was: "For example, if metal gutters, which are liable to decay in time, are replaced with plastic gutters which are not liable to decay however long they remain there, that is an improvement to the building, but I would still regard that work as maintenance."

In order for a supply of goods or services in relation to buildings to be zero rated, it is necessary that the supplies should amount to an alteration of a building and in addition not be repair or maintenance.

In our opinion the replacement of paving slabs in a patio is not the alteration of a building and therefore such expenditure should be liable to VAT.

Life insurance relief

Tax relief on insurance premiums is allowed on 1/6th of assessable income or on £1,500 gross premiums, whichever is the greater. In the case of husband and wife working the combined income can be in excess of £1,500 x 6. I have been told by insurance agents that "assesable income" is gross salary less National Insurance contribution (approximately 6 per cent): this relief would be granted on 94 per cent of gross salary(ies). Could you confirm this or provide me with the correct information in straightforward terms?

No; National Insurance contributions do not restrict life-*assurance* relief.

On the other hand, superannuation contributions do restrict the limit of life assurance relief, so does mortgage interest, etc.

It is hard to give you a simple useful answer, without knowing more about your income and outgoings. A fully detailed answer would certainly not be straightforward.

Right to light in Scotland

My neighbour has built a wall to his garage of such a height that it interferes with the light to my house and garden. I complained to the building control department of the City of Edinburgh about the granting of the building warrant, and they state that as there was no contravention of the building standards regulations, there was nothing they could do about it. Is there anything I can do?

You have been correctly told by the building control department that where the warrant has been granted no further steps can be taken by that department unless the building is constructed contrary to the building standards regulations. However you may have an independent right at law to restrict the building operation. In urban property in Scotland each proprietor enjoys what are known as servitude rights which prohibit his neighbour from acting in ways which may contravene the enjoyment of his property. These are ancient rights originating in Roman law and one is known as the servitude of *altius non tollendi et non officiendi luminibus*. That is a right whereby proprietors may restrain a neighbour from raising buildings on their ground beyond such a height as will hurt the light or prospect of their property. That seems to be the case here where the offending garage has obstructed the light to your garden and presumably the prospect therefrom.

If that is correct, you could vindicate your rights through the courts in the form of an action of declarator of your servitude right and for the demolition of your neighbour's garage. Obviously this is a matter on which you will require specialist advice and we suggest you consult a solicitor.

An additional rate

I recently extended my house and was duly served with a proposal for alteration to the Valuation List dated October 12 last.

The local rating authority, a London borough, has issued an additional charge dated May 9 last claiming that an inspector had viewed that the work was completed.

Are rates payable from the date of inspection or the date of the alteration to the Valuation List, or are allowances made that the room was empty, as in this borough three months rate-free periods are allowed on empty property?

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

The additional rate is payable from the commencement of the rating period (April 1) or the date of completion of the works, whichever was the later. You should accept the principle of liability from May and make an application for void relief for such period as the premises were not occupied.

Use of a wall for support

I have given permission for my neighbour to use my boundary wall to support a car port structure. He has agreed to increase the wall height from 4 ft to 6 ft. In order that I may retain all future rights against this "trespass" can you advise as to the contents of an agreement for him to sign? Does a token sum have to be paid periodically to enforce any such agreement?

It would be wise to have your neighbour sign by way of acknowledgement, a copy of a letter which you should write to him stating that you are licensing him to use the wall for support on the footing that the licence may be withdrawn by (say) two months' notice in writing to expire at any time, in which case the property is to be reinstated as formerly. Payment is not essential.

Inadequate insurance

Three years ago I took a piece of antique jewellery to a dealer for repair. His premises were burgled and the property taken. He said that he had valued it at £400 in an insurance claim, but it transpired later that his claim would not be met, apparently because he was inadequately insured. He now claims that the piece was not worth more than £150 and that *he can only find* for me a similar piece to that value. I do not wish a replacement. Do I have a clear claim in this situation, and if so how would you advise me to proceed to expedite a settlement?

You are entitled to insist on the price of the article which you lost, and can hold the dealer to his own insurance valuation, if you have evidence of it. Your proper course is to make a written demand for that sum and to sue him in the County Court if he does not pay in response to your demand.

Retirement to Canada

I am hoping to retire and go to Canada in September. I shall be 61½ and have had confirmation that I need pay no more NHI contributions as I have enough credits to earn my retirement pension at age 65.

I am in receipt of a Service pension and shall also earn a small Local Government Pension. Both are taxed at source and I am not clear whether I can claim this tax back and pay Canadian taxes—*it is my intention to do some* part-time self-employed work in Canada for a short time.

My wife is a Canadian national, but has a small GPO pension which is also taxed at source. I presume whatever answer you give me, the same will apply to her?

You will find general guidance in the following (free) documents which are obtainable from the Inland Revenue Public Enquiry Room, New Wing, Somerset House, Strand, London, WC2R 1LB:

Press release of January 30, *1981*: UK-Canada double taxation convention:

Booklet IR1: Extrastatutory concessions;

Booklet IR20: Residents and non-residents — liability to tax in the UK.

In the booklet IR1, you should look particularly at concessions A13, B13 and D2.

Under article 17 of the UK-Canada double taxation convention of September 8, 1978, as amended by the protocol of April 15, 1980:

(a) your prospective national insurance retirement pension will escape UK tax;
(b) your service pension will remain subject to UK tax;
(c) your local authority pension will remain subject to UK tax;
(d) your wife's prospective *national insurance retirement* pension will escape UK tax;
(e) your wife's PO pension will probably escape UK tax, but the facts are not quite clear.

The Canadian tax authorities *will, of course, give you credit* for the UK tax on your doubly taxed pensions.

In a local reference library, you should find a copy of the 1978 double taxation convention (as amended) in volume 5 of the British Tax Encyclopaedia or in volume F of Simon's Taxes, for example.

Spreading the good news about extra protection

INSURANCE

ERIC SHORT

ON TUESDAY, Financial Times readers would have seen a full page advertisement telling them how to choose the right company when insuring their lives. This was the opening of the long awaited publicity campaign by the Life Offices Association and the Associated Scottish Life Offices to bring home to the public the advantages of insuring with one of its member life companies.

This message is going to be repeated at intervals over the rest of the year, the LOA having earmarked £600,000 for the campaign. What is the LOA doing and why?

The LOA is simply telling the public that by dealing with one of its member companies, the consumer has certain protections that he should con*sider for the peace of his mind* when buying life insurance.

First, if he deals through a direct selling agent of a life company, then that agent has to abide by a code of selling practice. The code, issued earlier this year, has been discussed in these columns. The code means that life company agents must follow certain rules in selling to the public. Failure to comply with the code can result in expulsion from membership.

Secondly, if the consumer buys his life insurance through an insurance broker or other independent intermediary who is not a direct representative of a particular life company, then the amount of commission that the adviser is paid is strictly controlled. This is to ensure that the consumer will not be sold an *inferior* policy because the adviser wants more commission.

The official reason for the campaign is simply to let the public know that the associa*tions exist and are protecting* consumers when they buy life insurance. But individual member companies say in private the campaign is a counterblast to the adverse publicity received by the associations over the recent resignations by certain life companies.

Over the past year, five companies have left the LOA, all over a dispute regarding commission. Over this period, insurance brokers have negotiated with the LOA for better commission terms. Those companies which have left the LOA sympathise with the brokers' demands and have left so that they can pay more commission.

In theory, publicity should be on the side of the LOA, because the control on commission should mean control on premium rates and a better deal for the public. The companies leaving the LOA should have at least received certain public censures.

Instead the message coming through each time is that these life companies are young and *vigorous, anxious to* expand their business using modern sales techniques and rewarding the broker properly for his efforts. They say that expansion is held back by a "fuddy-duddy" trade organisation sticking to archaic rules. The *leaving companies have all* emphasised that their streamlined marketing methods will ensure that the public does not pay more for its insurance and higher commission comes from higher productivity.

This approach has infuriated certain life companies still remaining loyal to the associations and has been the driving force behind the campaign to do something positive to redress the adverse image. The LOA has employed one of the best known public relations firms in the business — Saatchi and Saatchi, Mrs. Thatcher's friends.

The advertisement is factually correct and already the LOA claims a positive response from the public seeking more information. But some non-member *life companies and* the British Insurance Brokers Association have pointed out other factors not mentioned in the advertisement.

Most non-member companies are either members of the British Insurance Association or the Linked Life Assurance Group and have also agreed to abide by the same code of selling practice. The consumer needs to check that the salesman works for a life company that agreed to abide by the code. It would be more to the point if life company literature emphasised this point and con*sumers were given a copy of* the code at the time of sale.

Secondly, insurance brokers must register by December and thus abide by a statutory code of practice in dealing with the public. This puts the clients' interest paramount, irrespective of all other codes and practices. If a broker recommends a non-member life company then it is because he feels that it is in the client's interest and he is not thinking about his commission. If commission is the reason, the consumer has a legally defined channel of complaint and the broker risks disciplinary action. The BIBA is insistent that the consumer has peace of mind the moment he contacts one of its members for insurance advice.

Nevertheless, the broker *should in the majority of cases* recommend a LOA or ASLO member company and if not, the advertisement will remind consumers to ask the broker for details of his recommendation. The performance of certain non-member life com*panies, such as Equity and Law* stands comparison with the leading LOA members.

The consumer has the legal right to ask the broker for details of commission being received from the life company recommended.

The LOA control of commission relates more to the independent intermediary who will not register as an insurance broker. Here legal code does not apply to him and the consumer can feel assured that if he is recommending a *member* then the intermediary is not commission hunting between life companies.

But LOA and ALSO do not stop the intermediary selling the wrong product because it pays higher commission. This is a more common method of maximising commission. A simple example is the sale of a savings policy when all the client needs is a straight life protection policy. This applies whether the contract is with a *member or non-member*.

Up to a year ago, very few people knew of the existence of the LOA, let alone what it did. Now it is projecting its image in a positive manner and that can only be to the good of the life insurance industry as a whole.

Master builders

TAXATION

DAVID WAINMAN

THE CHANCELLOR'S 195 page offering last week was entitled simply the "Finance Bill." It will in due course become the Finance Act 1981, but in its bill form it carries no official date.

Unofficially, afficionados might be forgiven for wondering, each year, whether these annual Finance Bills should not be dated 1066 and all that. But that suggestion is probably unfair to a history book which has at least a rational and con*sistent basis for its differentia*tion of good things and bad. One usually searches Finance Bills in vain for reason and consistency.

Last year, despite the needs of British industry for increased investment, it became a bad thing for individuals to assist by providing plant or machinery on lease to industrialists seeking not only that plant but also the financial assistance which is what leasing is all about.

The 1980 legislation did not *actually withdraw such a help*ful individual's 100 per cent tax allowances for the plant he purchased for leasing. Instead, it removed their whole value by stopping him from setting them *against any other income* apart from his lease rents—and thus prevented him from competing effectively with corporate lessors.

However, that same Finance Bill set out to encourage with substantial tax reliefs the leasing of industrial buildings, particularly those under 2,500 square feet referred to as small workshops. Helpful individuals were in no way to be shut out from providing these for needy industrialists, and one could only assume that the individuals *setting the 100 per cent first* year allowances against their other income were benefiting humanity rather than avoiding tax.

This year's Finance Bill keeps at the 100 per cent level the allowances available on small *workshops and on any industrial* building in an enterprise zone. And it raises from 50 to 75 per cent the initial allowances available on all other industrial buildings.

There are, however, a number of quirks in the calculation and *availability of these allowances*, and those who aspire to them might find the following explanations helpful.

Allowances are available on capital expenditure on the construction of a building which is to be used for an industrial purpose. That sentence merits careful reading, one of its most vital phrases being "capital expenditure," to which we will return below.

The second concept is that it is in general expenditure on construction which qualifies for allowances. But this requires immediate qualification, because the purchase of a new, unused, building from a person whose trade it is to develop and sell such buildings will also entitle the purchaser to allowances—on his *purchase price* (excluding the land) rather than the developer's construction cost.

Whether one constructs or buys one's building, English law necessitates that one should also hold or acquire some interest in the land on which it stands—either as freeholder, leaseholder or tenant. And in all cases where the building changes hands, whether new or at some later point, it is important that one analyses just what interest in land the vendor is parting with and the purchaser acquiring.

If Mr. A constructs a building, he is entitled to an allowance, its amount being fixed by his construction costs, but the entitlement to it being founded on the particular interest he holds in the land. If he sells that interest the right to allowances passes to the purchaser, this generally meaning that the Mr A will have allowances clawed back while the purchaser gets the rather less generous allowances available to those who purchase second-hand buildings. Alternatively, as we have seen, if Mr A is a developer who sells the building new and unused, the purchaser's allowances are those for a new building and are calculated on his purchase price.

If, on the other hand, Mr A retains the interest in land which he owned while constructing the building, but grants a lease or tenancy to Mr. B who will use the building for industrial purposes, then it is Mr. A who remains entitled to the allowances.

Let us revert to our individual claimant: we have seen that he has, probably, bought an unused building from a developer, and is going to let it to an industrial user. He will thus have a flow of rental income, and his allowances can be set against this.

To the extent they exceed those rents, however, the allowances can be set against the individual's other income for the fiscal year. The 100 and 75 per cent allowances for buildings which are to be let are given when the individual incurs his expenditure.

These initial allowances are not reduced in any way where the expenditure is incurred part way through the fiscal year, or towards its end. Nor are they any longer dependent upon the building's having already been let—although such a letting will provide a further 4 per cent "annual" allowance in each *fiscal year unless or until the* whole of the expenditure has been allowed for tax purposes.

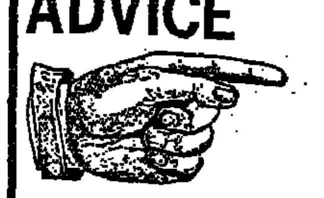
And once our individual has taken the benefit of his allowances, what then? This is the point at which we must revert to the phrase "capital expenditure" noted earlier.

If the Revenue could claim that an individual was purchasing industrial buildings with the intention of selling them shortly thereafter, they would say that he was trading—and that the buildings he held at any time were trading stock. Capital allowances are not available on the cost of stocks.

It therefore follows that any individual encouraged by the tax allowances to put his money (or money which he may persuade his bank to lend him for the purpose), into let industrial buildings must accept that this must be a reasonably long-term *lock-up. And perhaps it is this* feature which the Chancellor has now identified as virtuous—differentiating an individual's letting of buildings from the base and vile plant-leasing which he so heavily discouraged last year?

YOUR SAVINGS AND INVESTMENTS

FINANCIAL ADVICE



Tim Dickson continues his guide to seeking financial advice with a report on what the clearing banks are offering

A cautious approach

WITH THE battle for personal savings and their entry into the mortgage market taking top priority at the moment, clearing banks have not been crowing about their personal financial planning or investment management skills. As those who remember Barclays' trail-blazing Money Doctor service and Lloyds' later launch of the Black Horse guides will appreciate, however, banks have plenty to offer in this field.

Bank managers are well used to listening to sorry tales of financial mismanagement — often the preamble to requests for an overdraft. It is not quite so well known that they are also glad to hear happy stories of financial prudence—how for instance their customers carefully built up or perhaps inherited a large lump sum.

Until not so long ago bank managers would quite likely have offered advice off their own bat on how best to invest it. Today, however, a plea for help will almost certainly be directed to the full-time professionals who staff the bank trust companies. All four leading clearers have major operations with their own branches dotted round the country which look after billions of private and corporate funds. About £2bn of private investment money—roughly equivalent to two-fifths of the entire unit trust industry—is actively managed by the banks on a discretionary basis.

Not surprisingly perhaps, there are few obvious differences in the services offered by the clearing bank trust companies. Each perhaps has a slightly different organisational structure, minimum discretionary portfolio management limit and marketing style—but in essence the type of advice is pretty standard.

All, for example, provide discretionary portfolio management for those with substantial funds and most have an advisory service for others who do not want to hand over complete is £7.50 per £1,000 under man- responsibility for day-to-day decisions. In all cases the charge agement.

Large portfolios are usually invested directly in a spread of equities, though smaller accounts are more likely to be divided between unit trusts (often the bank's own funds) and gilt-edged securities.

Banks also offer general financial planning advice not just limited to investment—capital transfer tax, trusts, wills, etc. Fees here may be charged on a time basis.

Like clients of stockbrokers, trust company customers should be quite clear what conflicts of interest are involved. Some banks are defensive about claims that they automatically recommend their own "products"—unit trusts, life insurance policies or pension plans—pointing out that they only do so if they are "competitive" with others on the market.

This the cynics would argue, offers scope for liberal interpretation.

Others are quite happy to admit that their representatives are employed to get business for the bank and by using in-house funds, for example, are simply providing in house management in another guise.

Certainly the days when bank managers rammed their own unit trusts down customers' throats have long since passed—bank investment men indeed plaintively point out that other unit trust groups are all too often recommended at branch level.

Bank trust companies, however, adopt a deliberately cautious approach to investment. Individual preferences for income or capital growth are obviously taken into account but "safety first" is often the governing rule—banks, for instance, stick almost exclusively to stock market investments and thus the opportunity to grab a slice of the latest microchip marvel from Silicon Valley will not normally be available. Many investors, of course, will breathe a sigh of relief.

Barclays. Services are offered through Barclays Bank Trust Company and its subsidiary Barclays Unicorn. Discretionary investment management is provided for those with £25,000-£30,000 and above. Below this figure there is the Barclays Funds Investment Service, a portfolio of Barclays Unicorn unit trusts and gilts put together for a flat fee of £75. General financial planning is offered through the Money Doctor service, launched with a flourish in 1973 but subsequently reduced in scale as a result of the disappointing response. Originally there was a full time money doctor unit but now each trust office—there are 30 round the country—has one employee devoting part of his time to the Money Doctor service.

Fee depends on the amount of work involved. Barclays Unicorn district offices offer advice on their own range of unit trusts and will put together a non-discretionary portfolio (including National Savings certificates, gilts and cash reserve, etc., but orientated towards in-house unit trusts) free of charge.

National Westminster. The trustee department, which is based in Bristol but operates through five regional centres and 50 branches round the country, looks after private funds of £500m for some 10,000 individual customers. Discretionary portfolio down to £20,000. Below £20,000 money will be invested in unit trusts—"we operate in the whole of the unit trust field and feel that we have a moral obligation to recommend products other than our own," says portfolio manager Mr. Trevor Skerritt.

Like other trust companies, NatWest's head office analysts make recommendations which are passed on to regional investment managers who apply them to individual portfolios. With personal financial planning there is no charge for the report. NatWest also offers a tax service—preparing tax returns and dealing with tax problems—through its branches and there is a special estate planning unit to deal with more complex cases.

Lloyds. The bank's investment management service deal with over £400m of investments for about 8,000 investors. Discretionary management provided for investors with funds of about £20,000 or more—with this minimum investors could expect 25 per cent in gilts, one or two unit trusts and about eight individual equities.

Smaller investors are likely to be put into unit trusts, possibly the bank's own funds—"if they meet the requirements of the client we have no qualms," says Lloyds' Mr. Mel Jones. Advisers in all branches round the country trust company give general financial advice—no charge for the first interview but once the detailed planning stage is reached there would be a flat fee, probably £25-£30.

Midland. The market value of the trust company's private investments is about £400m (on behalf of 8,000 customers). Below £20,000 customers will get a limited service, with portfolio divided between gilts, and unit trusts, including possibly some from the Midland Drayton stable.

A personal financial counselling service is available through the trust company, with charges levied at £30 an hour. This charge is necessary, says the Midland's Mr. Heape, "because it is not seen as a selling session." Altogether there are 45 trust company branches round the ountry.

The Chartists march

WHEN AN investor selects a unit trust group or life company, he is seeking expert investment management. In general he is looking for above average performance and expects the manager to use conventional methods of stock or share selection. Two of the newest life companies, however, Skandia Life and Premium Life plus City of Westminster Assurance, have introduced funds backed by a different type of manager—the technical analyst, known coloquially as "chartists." This has serious implications for investors.

Chartism is based essentially on a pschological investigation into the behaviour patterns of investors as revealed by the movement of share prices. An historical analysis of such movements going back over long periods has, claim chartists, shown definite patterns of behaviour in share prices. Chartists say they can therefore identify when to buy and sell shares purely on share price behaviour patterns.

The advent of the micro-chip has revolutionised chartism, as it has everything else. The three life companies have linked up with the Cheshire-based firm Analysed Investment Data, under Fred Stafford. Mr. Stafford's system combines the methods designed over the years by three leading U.S. technical analysts—W. D. Gann, R. N. Elliott and J. G. Granville. The former two were pioneers in the subject and are now dead, but Joe Granville will no doubt go down in history as the man who stopped Wall Street in February when his clients acted on advice to sell.

Mr. Stafford's method is highly mathematical and portrayed on the video screen as a mind-blowing series of lines and curves—the mathematics is closer to classical geometry than the ultra modern techniques on which "alphas" and "betas" are based. The end-product at any rate is completely incomprehensible to the layman and those who adopt this method will have to accept completely what the charts tell them—a sort of modern day astrology.

The system, naturally enough, has to rely on its track record for justification and until recently this looked good. Mr. Stafford claims a 33 per cent rise in value over 18 months, a period in which his clients have been mainly in cash with only occasional forays into actually buying shares. His system, however, has not thrown up any strong buying signals this year even though the FT 30 Share Index has risen by nearly one quarter since the middle of January. Indeed, under the system you do not buy when the market is rising strongly.

With investment more in cash than in shares, the system looks highly cautious. Perhaps in these uncertain times that is the best strategy over long periods.

Eric Short

Now Electra shows the way

UNQUOTEDS

IAN ROGER

THE PROVISIONS in the 1980 Finance Act to encourage individuals to invest directly in the equity of unquoted UK companies looked simple and attractive enough.

The main one was that capital losses could be charged against taxable income rather than capital gains, a measure that can have a dramatic effect on an investor's return on a portfolio of such investments.

Unfortunately, most people have neither the time nor the skills to evaluate companies that would qualify under the provisions while the law precludes collective action in the conventional way through a professionally managed unit or investment trust.

Electra Investment Trust, which specialises in investing in unquoted companies, has now figured out a way of bringing individual investors together under professional management while still respecting the Finance Act's provisions.

Electra Risk Capital, which is being launched next week, will raise funds from the public in the form of loan stock to be invested in unquoted companies. Each investor will be assigned a pro-rata stake in each target company in return for redeeming the appropriate value of his loan stock. In practice, owners—as the prospectus describes investors—will be sent half-yearly statements containing details of their relevant investments, including information on acquisitions and disposals needed for their tax returns, and their remaining loan stock balances.

Because the Finance Act provisions apply only to unquoted companies, it will be Electra's practice to turn over to the owners the shares of any company in the portfolio that becomes publicly quoted on the Stock Exchange or in the Unlisted Securities Market.

The directors intend to build a balanced portfolio of companies that are just beginning to trade, others being bought out by their managements and more mature companies. No particular sector is favoured but the group hopes to invest in many high technology companies. Not more than 10 per cent of Electra's funds will be invested in one company. The main objective is investment in fast-growing companies and, to this end, Electra will encourage its target companies to reinvest profits rather than pay dividends.

Mr. Micheal Stoddart, chairman of Electra and chief executive of EIT, said there would be no conflict between EIT and the new fund because EIT seeks high yields from its investments in unquoted companies.

He also pointed to the four non-executive directors, Mr. Christopher Collins, Mr. Terence Conran, Mr. David Cooksey and Mr. Robert Gavron, who would ensure that there were no conflicts of interest.

If an investor wants out at any time, Electra will buy back his outstanding loan stock at 95 per cent of par and the investments in companies at 90 per cent of the latest annual evaluations.

"These are long-term investments and rather illiquid," Mr. Stoddart said.

Electra is interested in the proposals in the 1981 Finance Act enabling individuals to write off investments of up to £10,000 a year in new businesses but finds the conditions so restrictive as to be inapplicable. If the restrictions are relaxed in the course of parliamentary debate, the company would consult stockholders on ways of taking advantage of them.

Electra takes its management fee by way of a charge on the income from the loan stock and the right to subscribe for 15 per cent of the investment made in any target company. In the first year to May 1, 1982, investors will receive no interest on the loan stock. The proceeds will be used to defray the expenses of the offer for sale as well as management costs. Thereafter, the loan stock will yield LIBOR less 3½ per cent with the company retaining the 3½ per cent as a fee.

Electra is offering up to £20m in floating rate unsecured loan stock 1981-1985 at par and acceptance is conditional on applications for at least £7.5m being received. Half the stock is payable on application with the remainder by April 30, 1982. The offer is being made through L. Messel stockbrokers.

The Electra scheme was welcomed yesterday by Mr. John MacGregor, the Department of Industry Minister responsible for small businesses.

The high income tightrope

UNIT TRUSTS

TIM DICKSON

AS UNIT TRUSTS haul in money on the back of current fashions—high technology, the Far East and oil exploration seem to be today's winners—a group of largely unsung managers are sweating it out at the less glamorous end of the market. These are the men who run the near 100 funds whose prime aim is to secure a high (or reasonably high) and rising income.

With major companies cutting or at best maintaing dividends in the past few months, there were bound to be casualties among the high yielding unit trusts. It is therefore not surprising to report that the Tyndall London Wall Extra Income Growth Fund's distribution for the year ending April 8, 1981 will be 2.798p per unit, a fall of just under 10 per cent on the 3.096p payout in 1980.

Ironically the news comes at a time when income funds have benefited from the recent bull market in leading UK equities which left the FT Index last night at 551.3, not far short of its all-time high.

Tyndall's four income orientated funds have not missed out with rises of roughly 13 per cent in the three months to the end of March and as the group's investment manager Mr. Mike Stevens says "We may be seeing a re-run of the mid-70s when income funds generally outperformed UK capital funds."

Others would doubtless find the same silver lining but for most managers the outlook is still distinctly cloudy. Understandably, many financial advisers are anxious to see which funds can best weather the recession but detailed comparisons at this stage are almost impossible and certainly misleading. Trusts, for instance, have different ex-dividend dates and since dividend cuts only started in earnest some six months ago significant short-term variations in distribution have inevitably occurred.

Fund managers furthermore have to strike a difficult balance between income and capital growth. The temptation for many — we do not yet know how many have been able to resist — is to "buy income," that is to purchase shares "cum dividend" and sell them shortly afterwards when they go "ex dividend." Since dividends are reflected in a company's share price, these tactics are inevitably employed at the expense of a fund's capital performance.

Mr. Anthony Milford, manager of Framlington's highly successful Income Trust, admits the fund's next distribution, payable in July, may be a little down on that achieved in the same period last year. "It depends on how many companies go ex div at the same time as us," he says.

Like others, Mr. Milford has been concentrating hard on companies with December year ends, such as Bowater and the insurance composities, which he felt sure would not cut their dividends. "I think this is one reason why the Stock Market has been performing so well. Many fund managers have concentrated on the large marketable stocks which look like maintaining their payout. As a result some of their share prices may be a bit vulnerable when they go ex dividend."

Henderson Administration, whose Cabot Income, Henderson High Income and Henderson High Yield are all among the top ten income funds over the last year, is confident that it can maintain the distribution on all three trusts. As Henderson's Peter Pearson Lund points out, however, steer- a middle course between demands of income and capital growth "is like walking a tightrope."

One group which has devoted considerable effort to its income fund in recent months is Abbey Unit Trust Managers. Mr. David Glasgow, a director, says his investment team decided at the end of 1979 to pitch the yield on the fund at about 160 per cent of the yield on the FT Actuaries All Share Index.

"We thought this was about right to give us a decent yield and a chance to avoid most of the nasties," he says.

Fifty new companies were subsequently added to the portfolio and over the last six months Mr. Glasgow says that only four out of 70-80 companies in the trust have cut their payout.

PROPERTY

Historic problems

BY JUNE FIELD

THE CONSERVATION of historic buildings is not a luxury: rather it is a policy of good stewardship of one of our most important assets; a form of husbanding an essential resource, was how the recent report *Britain's Historic Buildings—A Policy For Their Future Use*, summed up the case for reuse of old buildings.

The compilers, a working party set up with Lord Montague as chaiman, were not particularly referring to buildings which "merited preservation intact—as shrines and showplaces," but to rural vernacular and everyday townscape pieces, such as barns, nonconformist chapels, railway stations and so on.

The report revealed that churches, chapels and meeting houses attracted a wider range of new uses than any other type of historic building.

For instance, the actual number of Methodist churches declined during 1977-80 from 8,310 to 7,990, and any church no longer required for "the living work among people" is normally advertised for sale with a view to obtaining the best possible price as required by charity law, wrote G. W. Dolbey in *The Methodist Church, Division of Property*. As long as the alternative use has nothing to do with gambling, or with alcoholic liquor, they welcome any social beneficial use of their superfluous premises. I heard recently of a well-known religious broadcaster who is doing up a former Methodist Sunday School in Cornwall as a holiday home.

An interesting conversion currently being carried out of a former Congregational church is Lyndhurst Hall, Lyndhurst Road, midway between Hampstead and Belsize Park Underground stations. The ambitious project is that of film set designer Mr. Don Dosset, who envisages "a unique environment of practising musicians and designers." Mr. Dossett, who has been working on the films of "Superman" and the new James Bond "For Your Eyes Only," has planned some large studio-apartments in the listed building, plus a 400-seat recital "hall." sound-recording gallery, conference room, coffee shop and so on in the main hexagonal meeting hall. This work is obviously going to take several years to complete.

The church was built by Victorian architect Alfred Waterhouse (1830-1905), and has been described by Pevsner as "one of his most satisfactory works. Purple brick and majolica decoration, lancet windows, round-arched." Waterhouse, a Liverpool Quaker, one of whose brothers was the founder of the well-known firm of chartered accountants, was also responsible for London's Natural History Museum, University College Hospital and the Royal Institution of Chartered Surveyors.

Currently for sale are the 3-bedroom, 2-bathroom penthouse studio at £85,000, and the Moffat studio, a 3-bedroom maisonette with large high rooms connected by a cast-iron spiral staircase at £110,000. Both include carpeting and kitchen equipment. The Livingstone studio on the ground floor, with its red and yellow stained-glass windows, is still to be converted. Details of approximate service and maintenance charges which it is important to know, are still being worked out by the agent Mr. Stephen Sharp, Anscombe and Ringland, 55 Heath Street, Hampstead, NW3 (01-794 1151), who will arrange an appointment to view, weekends and evenings if required.

Farm buildings, especially old barns, have almost as distinctive vernacular architecture as cottages. There are stone barns in the Cotswolds and Pennines, timber-framed barns in Hereford, Worcester, Sussex and Kent, and farmstead groups in Scotland consisting of barn, byre, cart sheds, and threshing mill.

Three-kiln oast house built of ragstone, in ½-acre about 4 miles from Maidstone, Kent, is thought likely to receive consent for conversion to a country house. Offers in the region of £45,000 for the freehold are being sought by John Montgomery, G. W. Finn & Sons, 18 Cattle Market, Sandwich, Kent (0304 612147). It is featured in the booklet that the firm have produced on "Barns and Oasts".

There are no official figures about the total of historic barns around the country. A recent survey by Essex County Council, *The Essex Countryside Historic Barns—A Planning Appraisal* (£2 from Mr. A. Geoffrey Booth, County Planner, County Hall, Chelmsford, Essex), estimated that the county's heritage of ancient barns was 1,400, of which only a half or third remain standing.

The report gives guide lines to assist local planning authorities in making decisions as to the future of barns, setting out alternative uses; and residential appears to have a low priority. "In general planning terms, there is a strong presumption against the conversion of non-residential buildings in the open countryside to residential accommodation."

The chances of getting permission for change of use for barns varies around the country. "It is the policy of this council to allow this alteration, usually to residential accommodation, only if listed or within an existing settlement envelope," says Mr. A. Brennan, Director of Planning, Borough of High Peak, Derbyshire.

Yet very few barns are listed at the moment, and even if they are, it does not stop them from getting knocked down. Mr. Matthew Saunders, secretary of the Ancient Monuments Society, reported that in 1979 there were applications to demolish 24 listed barns and nearly all were described as redundant for agricultural purposes.

In Kent, G. W. Finn and Sons regularly have former farm buildings, converted, or in the rough, for sale. Recently a large handsome timber-framed thatched barn outside Canterbury was for sale at £27,500 with detailed planning permission for conversion into a 5-bedroom, 4-bathroom dwelling. A Victorian coach-house near Dover, with consent to convert to a 2-bedroom cottage was £16,500. Several unconverted oast houses were available from £35,000 to £45,000, one with three kilns, original hoist and loading door. Current details, Mr. John Montgomery, G. W. Finn and Sons, 18 Cattle Market, Sandwich, Kent (0304 61214).

Finn's have also just produced a useful little pamphlet, *Barns and Oasts — A Brief Review of Some of Their Uses and Potential*, which they will send free to anyone interested. It features granaries, often built on stones to keep the stored grain free from vermin, stables "suitable for conversion to granny flats when close to the house," and some mews garages in Sandwich, where consent has been granted for four residential units, for sale at £32,500.

Mr. Montgomery also observes that as the Government is anxious to encourage small businesses, consent can sometimes be forthcoming for small scale commercial or industrial activities. He gives some idea of the grants available, together with notes on tax treatment.

Note: For a copy of *Britain's Historic Buildings* report send £3.50 to Sales and Circulation Department, British Tourist Authority, 4 Bromells Road, London SW4 0BJ.

CHESS

LEONARD BARDEN

THE EBB and flow of fashion in tournament chess openings has taken some surprising turns in recent years. In keeping with a restless age, new ideas now seem to appear and drop out much more frequently than in earlier decades. Although individual games always show a very wide range of opening patterns, the 1920s and 1930s were dominated by orthodox Queen's Gambits and Slav Defences as used in Alekhine's world title matches against Capablanca and Euwe.

The Soviet post-war school introduced a more dynamic treatment with their preference for the King's Indian, the Sicilian, both counter-attacking defences, but then under the influence of Fischer and Karpov, both notably strong with White, the classical Ruy Lopez regained its former status.

One negative theme in these fluctuating trends has been a progressively diminished interest in 1 P-K4, P-K4 openings aside from the Ruy Lopez. The great favourites of 19th-century chess such as the King's Gambit, Scotch, Bishop's and Vienna seemed likely to lose even the few adherents who had retained faith in king's side open play.

But the latest surprising twist of opening fashion is a revival of some of these reminders of the chess romantics.

It does sometimes happen that a single game triggers off a change of approach among active and influential tournament grandmasters. Whenever Karpov loses with the white pieces it is news, and in 1980 this rare occurrence took place twice as the result of opening surprises. One instance was Tony Miles's celebrated buccaneering victory in the European team championship at Skara; but Miles's daring 1 P-K4, P-QR3 has failed to convert a doubting chess world.

There has been much more interest in Karpov's second white side defeat. Karpov v Larsen at the Interpolis Insurance tournament in Tilburg began with the Petroff Defence 1 P-K4, P-K4; 2 N-KB3, N-KB3. The champion was outplayed in the opening, pawn weaknesses proved a permanent handicap, and he lost a long struggle. This was incident enough; but then Karpov himself chose the Petroff—and won in the following round against the Dutch champion Timman.

The Petroff boomlet continued last month when Karpov used it for his first meeting with Gary Kasparov, the 17-year-old prodigy. John Nunn, the British champion, has taken up 1 P-K4, P-K4; 2 B-B4 as White "because I can't find anything against the Petroff."

It will be intriguing to see what happens next: maybe they will avoid the Petroff by transposing it into the Scotch and the Four Knights (by 1 P-K4, P-K4; 2 N-KB3, N-KB3; 3 N-B3, N-B3)? If so, chess fans will enjoy a revival of old-fashioned gambit chess such as this rousing draw from the Russian championship semi-finals.

White: I. Polovodin. Black: B. Katalimov.

Opening: Scotch Four Knights (Krasnoarsk 1980).

1 P-K4, P-K4; 2 N-KB3, N-QB3; 3 N-B3, N-B3; 4 P-Q4, B-N5 (PxP is another and perhaps sounder story); 5 NxP, NxKP; 6 Q-N4, N(K5)xN; 7 QxNP, R-B1; 8 P-QR3, NxP?! (8...B-R4; 9 NxN, QPxN; 10 Q-K5 ch gives an endgame slightly in White's favour); 9 PxB, NxP ch; 10 K-Q2, NxR; 11 KxN, P-QR4 (the only chance for counter-attack); 12 B-KN5?

The most convincing line is 12 B-QB4, PxP ch; 13 K-Q2, P-Q4; 14 B-N5 ch, K-K2; 15 K-Q1, K-Q3; 16 N-Q3 when Black's king cannot escape.

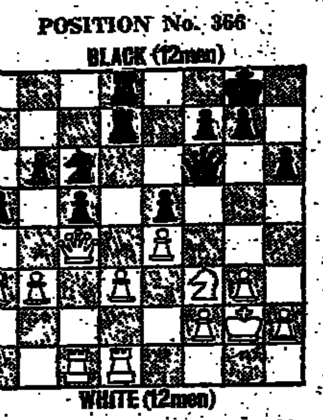
12...PxP ch; 13 K-Q3, P-KB3; 14 B-K2, Q-K2! 15 B-R5 ch, K-Q1; 16 N-B7 ch, RxN; 17 BxR, Q-Q3 ch; 18 K-K4! PxB!

Black avoids the trap 18 Q-K3 Q-K4 ch; 19 K-B3, Q-B4 ch (QxB? 20 Q-B8 mate); 20 B-B4, Q-Q6 ch; 21 K-N4, P-Q4 ch; 22 K-R4 when White's king is safe.

19 Q-N8 ch, K-K2; 20 Q-K8 ch; K-B3; 21 Q-R8 ch, KxB; 22 QxRP ch, drawn. If K-K1; 23 Q-R5 ch. A curious dance of the two kings.

POSITION No. 366

BLACK (12men)

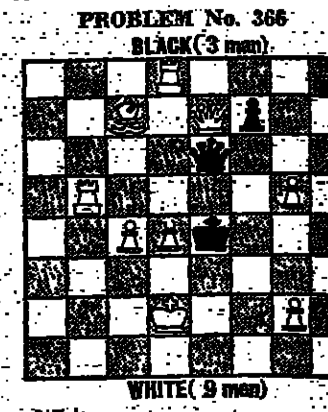


WHITE (12men)

C. Garwood v. G. West, City of London Open 1981. This position decided first prize in the tournament. White (to play) is under some pressure due to his backward QP, but everything is defended. There is one natural-looking move which White should not play, but did. Can you find the move and the continuation?

PROBLEM No. 366

BLACK (3 men)



WHITE (9 men)

White mates in two moves, against any defence (by R. List and M. Ott, The Problemist 1981).

Solutions Page 12

BRIDGE

E. P. C. COTTER

IN THE recent Charity Challenge Cup I played again with Judy Stelman, as we had won North-South in the local Roehampton heat last year. We had several excellent results, but this hand did not advance our cause:

N
♠ A K Q 9 7 3 2
♡ K J
♢ A 4
♣ A K

W
♠ J 10 6 5 4
♡ 9 5
♢ K 5 3 2
♣ Q 4

E
♠ —
♡ 10 8 7 6
♢ 10 9 8 6
♣ J 9 8 3 2

S
♠ 8
♡ A Q 4 3 2
♢ Q J 7
♣ 10 7 6 5

With both sides vulnerable my partner in the North seat opened the bidding with a conventional two clubs, to which I gave a positive response of two hearts. North rebid two spades, I said two no trumps, and over my partner's three spades I bid three no trumps. This clearly showed not more than a singleton spade—with two I would have raised to four spades—and my partner went seven no trumps. This was doubled by West in a voice of thunder, and all passed.

The correct contract is six spades which succeeds after a diamond lead if the declarer makes the safety play of running the trump eight, and can still be made by careful timing after a club or heart opening.

When I saw dummy after West had led the two of diamonds, I was not amused—I could see those five spades in West's hand. I played low from the table, and felt somewhat better when I won with the Queen. In fact, I could see myself making this ambitious contract if only the hearts broke 3-3. West would be squeezed to a pulp.

I cashed the diamond Ace—the Vienna Coup—followed by the Ace, King of clubs, and the King of hearts. Then I led the heart Knave, overtook with my Queen, and cashed the Ace. However, West showed out and the game was up. A bottom, a cold stone zero.

This deal was more satisfactory:

N
♠ 9 5 2
♡ J 7 3
♢ J 10 7
♣ A J 8 4

W
♠ 7
♡ 8 6 5 4
♢ A 9 8 4 2
♣ 7 6 2

E
♠ A J 10
♡ K Q 10 9
♢ K Q 6 3
♣ 10 5

S
♠ K Q 8 6 4 3
♡ A 2
♢ 5
♣ K Q 9 3

With North-South vulnerable, East dealt and bid one heart, over which I bid two spades on the South cards. Let me be the first to admit that I am just a little light for this jump overcall—which is, of course, not forcing—I would have liked the spade Knave instead of the eight. However, I thought one spade was rather weak, and I did not care for a take-out double because of my diamond holding. West raised to three hearts, my partner said three spades, East went to four hearts, and after a moment's reflection I said four spades, which became the final contract.

West led a heart, and I won East's nine with my Ace. I crossed to dummy's Ace of clubs and returned a Spade, East played the Knave, and I won with the King. It was more than likely that East's Knave was a false card—West who had raised hearts on very few points, probably had a singleton spade. I would have to return dummy's club Knave for a second spade lead. Just before I led by club three, I thought, "Suppose East has a doubleton club." West clearly must hold a high diamond honour, and East could win, put West in, and ruff a club return.

I played my diamond five, and was now in no danger. You see, if you write articles on the Scissors Coup, you must practise what you preach!

هكذا من الأصل

LEISURE

The lure of the Virgins

TRAVEL

ARTHUR SANDLES

HARBOURS play a particularly significant role in the legends of travel. They do, after all, provide the backdrop for both welcomes and farewells. Rock-jawed explorers left their tearful loved ones lining the quaysides of home ports, and then saw grass-skirted natives dancing their greetings on foreign sands.

Harbours, almost by definition, have a considerable physical appeal. Needing deep water and good shelter they tend to be surrounded by hills; be they on the grand scale of Sydney, Hong Kong or San Francisco, or offering the pleasurable intimacy of Mousehole or Honfleur they are a natural delight.

Everyone has their own favourites, but for sheer spectacle you would have to search hard to beat St. Thomas in the U.S. Virgin Islands. Civilisation has tried hard to defeat the natural splendour of the harbour on which sits Charlotte Amalie, a town whose non-virginal-past includes all manner of colonists and pirates, but the anchorage has retained its splendour.

Approach by almost any means the harbour of St. Thomas provides a startling sight. The cruise ships come in from Puerto Rico, giving their passengers an early morning glimpse of the lofty green hills around the bay and the bright red roofs of the traditional Danish housing (the islands were bought from Denmark by the U.S. in 1917). Most air passengers come in by light aircraft—a situation which is changing as the airport is expanded to take bigger jets—giving these tourists a close aerial view of the islands around the bay and of the narrow mountain roads which climb away from the main quayside.

On closer viewing Charlotte Amalie is less attractive, particularly when the cruise ships are in. Heavy-hipped New Yorkers struggle in Caribbean heat from air-conditioned rum emporiums to duty free watch retailers: taxi drivers hustle for business among sweaty tourists unhappy to be away from their cool shipboard cabins: the restaurants abound with visitors demanding American rather than West Indian delicacies.

Unfortunately for them, and perhaps fortunately for the rest of us, cruise passengers rarely venture away from the half square mile that is the shopping centre of the island. If they were but to cross the ridge they would find a land of dense vegetation and somewhat more relaxed living than is the case in the hectic town. And when the cruise ships have gone, even Charlotte Amalie itself becomes a real town, with surprisingly good restaurants and a relaxing tropical atmosphere.

The impressive harbour of St. Thomas is, however, not only just a small corner of the island, it is also but a tiny segment of the islands. They are, of course, divided artificially. The U.S. Virgins—which for the visitor consist of St. Thomas, the much larger, but physically less spectacular St. Croix, and the small St. John—are separated by national boundaries and a widening cultural gap from the British Virgins (Tortola, Virgin Gorda, Anegada and Jost Van Dyke are the best known).

To group them all as one is to insult them all. Even the short hop from St. Thomas to Tortola provides an extraordinary change in culture and pace. The more perceptive of visitors might also notice the insight it provides to differing colonial policies. U.S. St. Thomas is over-populated, its resources long since exceeded by demand. British Tortola is insulated from the real world, its standard of living low, its social atmosphere artificial.

It is therefore impossible to lump the Virgin Islands together and generalise about their attractions and disadvantages. St. Croix is, after all, a substantial (82 square miles) and largely low-lying island which was once a treasure house of sugar plantations and is now a home of rum production, tropical agriculture and Virgin Island political activity. The charm of the clapboard housing in the St. Croix towns of Christiansted and Frederiksted must be seen against a backdrop of serious social unrest. You will not find better accommodation or food elsewhere in the Indies but you may also find a community restless about its relationships with Mother Washington.

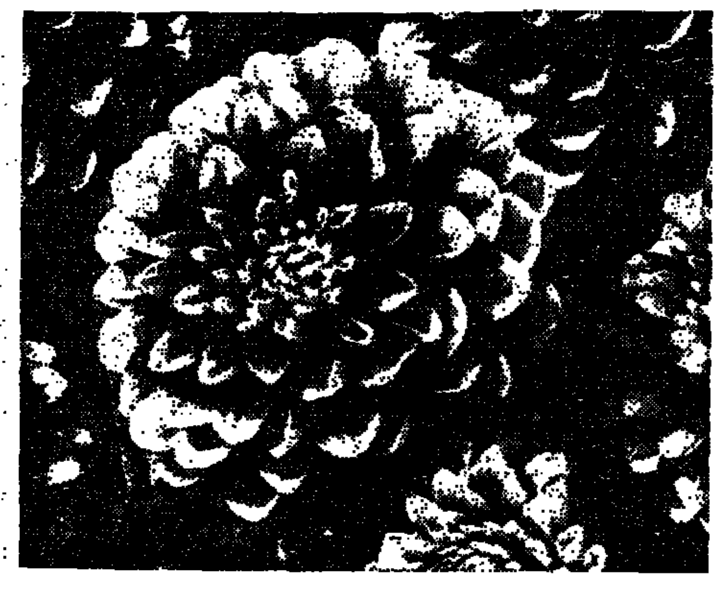
If you can turn your back on political problems then the Virgin Islands offer an appeal which is difficult to match. You find a West Indian welcome combined with American facilities — an almost unbeatable travel combination.

Oddly enough, as a British passport holder, I found rather more suspicion about my arrival in the British Virgins than I did in the U.S. equivalents. Tortola is a back-to-the-Noel-Coward-era sort of place which boasts a few guest houses, splendid scenery, a major yacht charter centre and a sleepy lifestyle. It is a welcome relief from the relatively hectic bustle of St. Thomas, but oddly reminiscent of a thinly populated British suburb.

So are the Virgins to be recommended? The plus points are the weather, the intimacy, the variety, the deserted beaches, the really very good hotels (I recommend the St. Thomas harbour view from Bluebeards Castle) and the restaurants. The minuses are the distances (at best you go via San Juan, at worst via Miami and San Juan), the political problems (largely in St. Croix) and, in St. Thomas, the cruise ship passengers. If you thought Miami was great then go to San Juan and give the Virgins a miss. If you want the Caribbean with a bit more service, a touch more sophistication, scenery which is memorable and a history dotted with romance and adventure, then give it a try.

Further information: U.S. Virgin Islands. Division of Tourism, European Offices, 25, Bedford Square, London, WC1B 3HG or Freiherr Vom Stein, Strasse 24-26, D6000 Frankfurt Am Main 1, West Germany.

Thinking about delicate dahlias



GARDENING

ARTHUR HELLYER

I AM sure that one of the biggest difficulties for those who are new to gardening is to look sufficiently far ahead. Dahlias, for example, scarcely seem a priority in spring since it will be August before they begin to make much contribution to the garden, yet if you want that late display it is now that you must make a start. It is certainly worth thinking about, for at their season there is nothing to rival dahlias for brilliance of colour and variety of flower form.

If dahlias have been grown before and the old tubers were dug up in the autumn and have spent the winter in some suitably dry and frost-proof place (mine live in a well-lined loft that gets a little warmth from the boiler chimney) one has two options—either to plant them directly outdoors where they are to flower or to start them growing in large pots or boxes kept in a greenhouse, verandah or other light place from which frost can be excluded and get them growing strongly before they are put outdoors.

All dahlias are tender. Even a few degrees of frost will kill their growth, though not necessarily their tubers, which are protected by soil. So dormant tubers planted in holes sufficiently deep to ensure a covering of two or three inches of soil will almost certainly be safe from the usually quite short, though sometimes disconcertingly sharp, frosts of late spring.

It will take a few weeks outdoors for the tubers to push their new shoots through this depth of soil and if they do appear a little too soon when there is still danger of night frost one can pull soil up over them as one does when earthing up potatoes, or cover them with peat or even invert a large flower pot over each plant in the evening if there is a frost warning on the radio or television.

Old-fashioned earthenware pots give better protection than modern plastic pots but even these are better than nothing. They must be removed by day or the dahlia shoots will be deprived of light and will grow long, pale and weak.

The alternative is to start the old tubers in pots or boxes. So the slight risk of having them through the soil and exposed to cold air too soon is avoided. They can stay in their greenhouse, frame or other protected place until it is quite safe to put them outdoors, usually during the first week in June over much of the country but earlier near the coast and later in very cold places.

But dahlias do take up a fair amount of space at a time when there is great pressure on greenhouses for all manner of other things which simply cannot be coped with in any other way. It is for this reason that my own old dahlia tubers usually have to take their chance outdoors from the moment they come out of store.

Large tubers are best divided because if left whole they will produce so much growth that it will get overcrowded. The growth buds from which the new shoots come are not formed actually on the tubers, as they are in potatoes, but close to the base of last year's stems, which is why it is essential, when storing tubers, not to break off the stems but to cut them off cleanly an inch or so above the tubers.

When old roots are split up each planting piece must have at least one stump of old stem and one tuber; if it has more so much the better as it will make a stronger plant. Much of the division can be done with the fingers aided by an occasional adroit knife cut to sever a particularly tough piece of old crown but two hand forks thrust back to back through a big clump can be used to lever it apart in cases of difficulty.

If the divisions are to be started in pots or boxes they must be split into sufficiently small pieces to go into these and still allow the tubers, but not the stems, to be completely covered with soil. Kept moist in a genial temperature, they will soon start to sprout and by early June they may well have shoots several inches long. Even so they will transplant to the open ground quite safely and with little check if they are kept well watered should the weather be dry.

Those who are starting with dahlias for the first time have three options: to grow from seed sown in a greenhouse or similarly warm and sunny place, to purchase rooted cuttings from a specialist dahlia nursery or to buy small tubers.

Seed is most successful for the short bedding dahlias some of which have been bred to give remarkably uniform results but it is just a little late to start, though dahlia seed does germinate fast and the plants, if not checked by cold or dryness, grow so rapidly that it is certainly not out of the question to sow now.

Rooted cuttings, once far and away the most popular way of acquiring dahlias, are now seriously challenged by small tubers, usually prepacked in polythene bags with a picture of the variety and some instructions about cultivation. Once they were quite a rarity but now they are to be seen in every garden centre and many stores.

They can be grown just like old tubers axcept that they cannot be divided and, since they are small, it is quite easy to start them in pots and keep them protected until it is fairly certain that there is no further danger of damaging frost.

Alternatively, they can be planted straight away outdoors just as I have described for old tubers, but these small tubers are more at risk from attacks by slugs, snails, leatherjackets, and other soil pests. It is wise to soak the soil with insecticide such as HCH and to scatter some slug pellets around them rather than risk finding, a few weeks later, that the little plants had been completely stripped of their leaves and tender shoots.

There is still a big trade in rooted cuttings though I get the impression that it is increasingly confined to the really enthusiastic dahlia growers who know what they want and do not need me to tell them how to go about it. The advantage of rooted cuttings is that they offer a much wider selection of varieties, including many of the new varieties, whereas small tubers are more or less confined to old and well tried dahlias.

Exhibitors and specialists need the best and must experiment, so when they are buying new stock they are almost certain to get rooted cuttings from a dahlia nursery. The cuttings will almost certainly be sent out of pots and with a minimal amount of soil to save mailing costs and as they are quite fragile they will need to be handled with care.

If possible, they should be unpacked and potted singly as soon as they arrive, kept well-watered and shaded from strong sunshine for the first few days until they have lost all tendency to flag, have clearly taken roothold of the new soil and are standing up stiffly and starting to grow again. They will only require small pots at first but they may well need to be moved into larger pots before they are planted out in early June or whatever is considered the safe and appropriate date for the area in which they are being grown.

Rooted cuttings need a little more good management than tubers but it is astonishing what big healthy plants they can make by August. Just go and look, in late summer, at the fine dahlia trials in the Royal Horticultural Society gardens at Wisley to see how good they can be, for trials of this nature are always grown from cuttings unless, of course, they are seed trials of bedding varieties.

Dahlias need sunshine, plenty of food and water and everything over two feet high needs staking, since dahlia stems are easily broken out by the weight of leaves and flowers they have to bear. Apart from this they are among the easiest and most trouble-free plants in the garden.

The great survivor

The 145 mph Aston Martin V8. Ageing, but still magnificent.

MOTORING

STEWART MARSHALL

LIKE A senior civil servant who scarcely notices changes of government or economic crises, the Aston Martin V8 has rolled serenely into recession stricken 1981. It is one of the great survivors.

More than once in the last ten years the firm itself has been near death. But, in the nick of time, a financial transfusion has kept the patient's heart beating. The latest of what stage people call angels to appear were Victor Gauntlett, of Pace Petroleum, and Tim Hearley, of C.H. Industrials, who now head Aston Martin Lagonda as joint chairmen.

The product—if one may describe a hand-made, 145 mph supercar so prosaically—seems as untouched by the passage of time as an ageing but still vital film star. The Aston Martin V8 I drove last week was outwardly little different from the DBS coupé that appeared in 1967 as a 4-litre six-cylinder and grew into a 5.3 litre V8 in 1970. I have test driven the Aston Martin four times over the past decade. It gets better all the time, maturing like a great wine.

The first one, with fuel injection, manual transmission, a leg-breaker of a clutch and ineffective headlamps was a pig to drive in town and felt potentially lethal in the wet. (A former colleague spun one in first gear in the Kings Road and ended up in a shop window. At Aston Martin's Newport Pagnell HQ they were not amused.)

By 1974 carburetters had replaced the fuel injection and its clumsy linkage. Chrysler automatic transmission was offered and Avon tyres with good wet grip were fitted. Together, they made it a vastly better car, which I found was as driveable in a rush-hour Park Lane as it was in a downpour on the motorway.

Exactly three years ago the Aston Martin and I met yet again—in the middle of a petrol shortage, which is no time to have a car with a 25 gallon tank and a consumption that rises to low teens when you are enjoying your motoring. (I noted at the time that putting two gallons — all I could get — in a nearly empty tank was like throwing a lamb chop to a starving lion. It didn't even stop the warning light from flashing.)

Happily, the country is now awash with petrol. But it costs over £36 to fill a tank that, at the Aston Martin's natural cruising gait of 110 to 120 mph, would last for only two hours driving. This is, of course, a matter of academic interest to anyone who can contemplate spending £38,000 on a two-plus-two motor, but an awkward question has to be answered, not just by Aston Martin Lagonda but by all producers of ultra-fast supercars.

What is the point in making cars that really justify themselves only when driven at speeds that have policemen reaching for their notebooks, if not their handcuffs? It can be argued that a car which is well within its capacity at twice the legal speed limit (which the Aston Martin certainly is) must be very safe indeed at speeds we are allowed to drive at. But the nagging doubt remains.

At low speeds you notice the car's drawbacks—the tyre thump, the power bulge in the bonnet that restricts forward visibility, the poor lock that makes it ponderous to park. It feels rather wide in country lanes, though it handles superbly on tight corners and sweeping bends alike, has magnificent brakes and power steering equal to the best. The back seats are a bit of a joke and much of the boot is occupied by an enormous spare tyre.

Settling behind the wheel, however, is almost a sensual pleasure. The hide trim perfumes the interior and the firm upholstery offers a near perfect driving position. The Aston Martin is no lightweight but it leaps to 60 mph from a standstill in a shade over seven seconds, the V8 bellowing like a pedigree bull. At a high speed cruise it is not at all noisy and the ride on a motorway is excellent.

The automatic transmission eagerly changes down for a surge of acceleration that makes overtaking so fast that short traffic gaps can be leap-frogged safely without inconveniencing anybody.

The instrument layout is the next thing Aston Martin should update. Even the speedometer and rev. counter are not wholly visible and the smaller gauges and warning lights are half hidden, from a tall driver at any rate. The electrically adjustable outside mirrors (the nearside one a £150 extra) vibrate so much at speed that one cannot possibly tell whether or not the white car coming up behind has a blue beacon on its roof. And that, I would have thought, is a matter of crucial importance to any Aston Martin driver.

RACING

DOMINIC WIGAN

BOTH jumping and flat racing enthusiasts are well catered for today with the centrepieces of a busy afternoon being the William Hill Scottish National at Ayr and Newbury's John Porter Stakes.

There is a small field for the group two John Porter Stakes, but what the race lacks in size is more than made up for in quality. The nine-runner event has attracted the 1980 St. Leger winner, Light Cavalry, as well as Nicholas Bill, Shining Finish, Shoot A Line and Cracaval.

Despite the obvious claims of the most recent classic winner the two I shall be watching with most interest are Nicholas Bill and Shoot A Line. The first-named, off the course during the early part of last season owing to a splint, made up for lost time in no uncertain way later in the summer. Returning in the Princess of Wales's Stakes at Newmarket in July, High Line's progeny confirmed his wellbeing with a neck victory over Son Fils. He then proceeded to complete a double with a length success over Main Reef in the mile-and-five-furlongs Geoffrey Freer Stakes on this course.

Nicholas Bill, who went on to run well in Germany's Grosser Preis von Baden before finishing sixth at 70 to 1 in the "Arc," may have been unlucky not to have accounted for Shining Finish in the St. Simon Stakes here on his final run. The High Line six-year-old found all sorts of trouble on the far rail as he attempted to make a forward move inside the final two furlongs and was unable to get in a blow against Shining Finish, whom he was meeting on 5 lbs worse than weight-for-age terms.

Shoot A Line, who was patently not on good terms with herself on Oaks day nor suited to Epsom's gradients, had an otherwise outstanding campaign in 1980. The winner of the Yorkshire Oaks, the Park Hill Stakes, the Ribblesdale Stakes and the Cheshire Oaks, she enabled Dick Hern to join O'Brien as one of only two men to have saddled a winner in each of the British and Irish classics when storming away with the Irish Guinness Oaks.

Hern and his stable jockeys, Carson, in particular, are more than happy with the progress that Shoot A Line has made over the close season, and I hope to see the four-year-old underline their faith by beating Nicholas Bill: in the process providing High Line with another remarkable feat to his credit.

NEWBURY

2.00—Princess Arabella
2.30—Beldale Flutter
3.00—One Fleet Street
3.30—Shoot A Line***
4.00—Laura Jenney
4.30—Neat*

AYR

1.45—Red Mills
2.55—Approaching**

BOOKS

Female skill at bloods BY W. W. ROBSON

The Lady Investigates
by Patricia Craig and Mary Cadogan. Gollancz. £9.95. 256 pages

Deadlier than the Male
by Jessica Mann. David and Charles. £9.50. 240 pages

When Sir Hugh Greene, a few years ago, edited a collection of stories under the title *The Rivals of Sherlock Holmes* I wondered whether this would have to be one of those very short books, like *The Religion of Frederick the Great*, *The Structure of Piers Plowman*, or *The Element of Light-Hearted Comedy in the Work of John Stuart Mill*. But of course if we say that Holmes has no rival we are making a qualitative judgment. There were plenty of imitations and variations on the theme, and most of us could recall quite a few names, from Father Brown onwards. But what about the female rivals? I imagine only those with a special interest in the subject would be able to think of any name but Miss Marple. At any rate, she is the only "household word."

Patricia Craig and Mary Cadogan in *The Lady Investigates* have found some more lady detectives of fiction, professional as well as amateur, but they have had to stretch the definition of the term a bit to find enough material to make a book. They include spies and special agents (Modesty Blaise). And where genre is concerned, they draw upon thrillers, stories written for schoolgirls, pulp fiction, and so on, as well as the "classical" detective story of the Golden Age (1925-40) and afterwards. Their work is very pleasing and their tone and manner just right: they take the material seriously, as revealing the social attitudes of writers and readers, sometimes conscious, sometimes semi-conscious or unconscious — in short, the "ideology" of this form of light fiction — and they avoid mock-solemnity and other kinds of facetiousness.

On the other hand, they write in good plain contemporary English. They write like human beings, not visitors from another galaxy; human beings who know that what they are writing about has diverted or soothed millions of other human beings, even if the quantity of very good work which it contains is not large. On the feminist question they take the "enlightened," liberal side, but not aggressively. They seem to be more amused than vexed by the open expression of naive chauvinism (usually, of course, in the older, or old-fashioned, writers). What irritates them is the revelation of unconscious smugnesses and prejudices in writers of consciously left-liberal opinions. (C. Day Lewis's detective fiction comes in for some strictures).

The treatment is roughly historical, beginning with such primitives as *The Revelations of a Lady Detective* (1861). The authors do not profess to be comprehensive, and it would be unfair to complain of omissions. But there was one that startled me: they say nothing about Marion Halcombe in *The Woman in White*. To include her would have helped the authors make one of their main points firmly—by contrast. Marion's vividness is due to Wilkie Collins's challenge to a convention of Victorian fiction:

> The easy elegance of every movement of her limbs and body, as soon as she began to advance from the far end of the room, set me in a flutter of expectation to see her face clearly. She left the window—and I said to myself, The lady is dark. She moved forward a few steps—and I said to myself, The lady is young. She approached nearer, and I said to myself (with a sense of surprise which words fail me to express), The lady is ugly!

This omission is all the more surprising, because the authors do discuss a lesser work of Collins, *The Law and the Lady*. Perhaps Marion Halcombe does not really count as a "detective"? But she is quite as much one as some of the other active, practically intelligent women whom the authors (surely rightly) include in this category.

Among the other early examples I was glad to see Grant Allen's Miss Cayley (though sorry to see her name mis-spelt) and Hilda Wade. Grant Allen was once famous for *The Woman Who Did*, and these were women who didn't, but they have remained much fresher, less dated characters. A detective from this period who might have been included is Anna Beringer, from Meade and Eustace's *Brotherhood of the Seven Kings*; brusque, unfussy, "modern," she came nearer to catching the diabolical Madame Koluchy than any of the men.

But it would be dull to go through all the species and subspecies. The authors are up against a difficulty: many of the stories they analyse are not widely known, so they have to do a lot of plot-summarising. For the reader who knows the particular story this means tediousness, for the reader who does not it means sawdust. Perhaps the essence of the authors' findings could have been distilled in some way—though it would have been hard to do.

What makes the book a little disappointing is the feeling that what is found out is what we would expect to be found out: all the lady detectives reflect stereotyped opinions about women, their limitations, "intuitions," charm, etc., etc., which vary somewhat from one period to another, but which popular writers usually manage to handle so as to leave the suitable reader reassured or undisturbed. But it is always pleasant for someone like myself who has read quite a lot of the material already to compare notes. And those who have not read much of it might well be persuaded to read some more.

The deep question which the authors raise but find difficulty in answering is why some symbols are "valid" and others "invalid." It is not a question of realism. The Scarlet Pimpernel, laughing down from lazy eyelids, is just as impossible as Lady Molly of Scotland Yard. Yet he has a "life" of his own which Lady Molly does not. And this is not because the creator of one was a better writer than the creator of the other: they were both created by the same author (Baroness Orczy). But "these are deep waters Watson."

Jessica Mann also ventures into them, but soon struggles back to the shore. Her book, *Deadlier Than The Male*, overlaps a little with Craig and Cadogan, especially in the discussion of Christie and Sayers, but for the most part she is looking at "crime writing" from another angle. She raises a very interesting question: why is it that the *grandes dames* of the Golden Age — Christie, Sayers, Allingham, Marsh—are *still popular*, while their *male* competitors seem to have dropped from view? Jessica Mann does not say whether she thinks this is a pity, or not. I find it very sad that some of them, John Dickson Carr, for instance, should have been eclipsed. It is evidently not the puzzle element in Agatha Christie which has conquered the world, for in this other writers have equalled or surpassed her. But what then does give her universal appeal?

"Put the bracelets on!"—Cyrus Cuneo's frontispiece in 1910 for 'Lady Molly of Scotland Yard' by Baroness Orczy

And why do people like detective fiction (or loathe it)? Is reading it a vice? Can it compete for intelligent consideration with "serious" fiction? Jessica Mann raises all these questions, but does not get very far with them. Her final answer seems to be almost tautologous: these writers are popular because they are able to induce readers to share their fantasies.

It is in the details, rather than the general argument, that her book is interesting. She gives an historical sketch of the genre, from its beginnings in "sensational" fiction. Her dismissal of Gaboriau is unwarranted, but otherwise her views seem to me very sound. A crime novelist herself, she writes in a very readable way. And if she does not quite come to grips with her central question (the ascendancy of the women in this field) she has many interesting things to say in her particular discussions of the enigmatic Christie, the extravagantly uneven Sayers (a complex case for criticism), and other leading women writers. But a critic who is only prepared to recognize the most "objective" differences between men and women writers is in a quandary when it comes to explaining the present ascendancy of women in this area. Couldn't it be just an accident—"one of those things"?

Only small lies BY SARAH PRESTON

Tit for Tat
by Verity Bargate. Jonathan Cape. £5.95, 167 pages

"I did it because I love you," is what everyone in Verity Bargate's searing new novel says at the moment of betrayal. Sadie's mother says it to her when she makes her clear out a cupboard of stinking used sanitary-towels to teach her that "being a woman is messy and complicated and dirty." Her husband Tim says it to explain why he did not tell her that her septic abortion had made her barren. In the end she herself says it too late to Tim when she has feigned cancer as the ultimate way to cause him pain.

As in her previous two books Verity Bargate comes straight to the point wasting no words in creating a maelstrom of emotional intensity. This heroine is again a woman imprisoned in her own isolation. Like the girl in *No Mama No* who desperately wanted her sons to be daughters and the heroine of *Children Crossing* who saw her children killed, Sadie has not got much going for her in life. The little she has she proceeds consciously and unconsciously to destroy.

Abandoned by her mother and a series of step-fathers to boarding schools, even for the holidays, she is 18 when her mother dies of cancer. A brief interlude of happiness follows: sexual fulfilment with the unlikely, dream romantic hero Tim—he even works in oil—and the only real love-relationship of her life with Eva, a high-class whore whose telephone number her mother gave her on her death-bed. Eva advises her whatever happens never to lie. Small lies lead to her self-destruction.

It is unfortunate that the book shows signs of being written hastily. The evil characters are cardboard ogres, albeit of mythic proportions, and in conveying the force of Sadie's rage and desolation Verity Bargate has etched her effects with too crude a pen. Even so it is difficult to cast from the mind the image of this girl who is so damaged that she has to mutilate herself in a way our society would find as unspeakable as incredible. "I did it because I love you" is a serious and unforgettable message.

Verity Bargate: to the point

For Prestel Seminar Details see page 17

هكذا من الأصل

Still officially sane BY ISABEL QUIGLY

Oh Lily
by Mary Hobson. Heinemann, £6.95. 187 pages

Rhine Journey
by Ann Schlee. Macmillan, £5.95. 165 pages

White Lies
by Seán Virgo. Hamish Hamilton, £6.95. 150 pages

Chinese Alice
by Pat Barr. Secker and Warburg, £6.95. 353 pages

A Princess in Berlin
by Arthur Solmssen. Hutchinson, £6.95. 374 pages

A reviewer of fiction feels cheerful in a week like this: three new or almost new writers, all much more than promising, suggest that fiction *must be doing well when it* comes up so richly, with, in each case, so individual a voice.

Oh Lily is Mary Hobson's second novel. The first, *This Place is a Madhouse*, was about the officially deranged. This new one is about the rest of us, the officially sane. Like the first, it has an intricate tangle of relationships, knots loosened and tightened but never quite untied, never totally explained because explanation is too brash and neat for so circular, ironic and nervous a talent.

Charlotte is 28, an ungifted pianist in Blackheath dreaming, under her mother Lily's direction, of recitals and fame; the perfect excuse to do and face nothing while practising busily all day. On holiday in Italy they meet an Irish antique dealer called Paddy who on impulse decides to marry Charlotte and soon regrets it; by which time she has conceived the child who is going to start up the whole pattern of mother-daughter love, resentment, stresses and strains again.

Though everyone is a bit off-key, no one is off it enough to be unfamiliarly mad. Petra, earth-mother, teaching music and making bread, mending and improvising amid nappies and wailings; Rosemary, painter, living without comfort or privacy until discovered by a Sunday supplement and launched on American lectures; Ted, Lily's tight-lipped admirer, mending roofs and gutters; Sandy, Charlotte's father, a desperate disappointment in a bed-sitter in Raynes Park when met after 26 years—they all seem to live in chaos, spiritual if not physical, yet surrounded by the signs of a more sedate way of life, the reassuring pointers to order—*Lily's bridge club, a church* wedding, musical doings and of course, the everlasting dreams of musical fulfilment. Impossible to compare the writing with anyone I can think of: a touch of Bainbridge, perhaps, but a wilder humour, a more hectic sense of teetering on the edge (of what?—psychic states, glooms, jokes, the practical mess of everyday living beneath which lies the pit).

Rhine Journey could hardly be more different in tone yet *the two writers have a few* things in common, heroines called Charlotte for one, four adult children apiece for another. Officially this is Ann Schlee's first novel but in fact it follows several teenage books, one of which won last year's Guardian children's book award. We meet its Charlotte on holiday too, with romance hovering, but there the resemblance ends, because while *Oh Lily* is obtrusive, even noisy, in its impact, *Rhine Journey* is so low-key *you might miss it, fail to notice* its remarkable qualities.

This Charlotte is a spinster aunt in 1851, on holiday with her clergyman brother and his wife and daughter, after the death of an old man whose housekeeper she has been for the past 20 years, since she fell in love unsuitably with the local miller, was prevented from marrying him, and packed off to genteel servitude. Now, on the landing-stage at Coblenz for a second she sees Desmond, the man she once loved. It isn't, of course, the same man (who in 20 years will have aged) but a fellow-traveller with wife and two sons, about the same age as the Desmond she remembers. In dreams along the Rhine he visits her. In daylight she *avoids him. Her niece Ellie is* passionately pursued by a young Prussian.

An accident on the boat, police questions, intrigue (political not amorous) in the man's meeting, watched in jealous anguish by Charlotte, with a woman in a square in Cologne—these are mixed with memories, dreams, the extension of everyday experience. The outer world sees Charlotte (as she knows from her dreams, where a sort of truth is spoken) as *pitifully inexperienced, childish*. Her inner world tells her otherwise.

The writing is limpid, unironic, precise; yet all about the underlying ironies, turbidness and imprecision of life and feeling. A Victorian domestic framework, with its reticence and quietness, is admirably suited to these ambiguities, these half-truths and half-doings that may never be spoken or even envisaged, yet underly everything.

Seán Virgo is Canadian, born in Malta, educated in England and, if the 10 stories in *White Lies* are anything to go by, a travelled man. Their settings vary: Yorkshire and Paris, Assam and Malaya and Canada, and one of them travels back in time to 13th century Bavaria where a boy on the road among beggars seems to be meeting the Lazarus and Magdalen of a church portrait group. They too are something of a find, less original than the two women's but, in more mainstream fashion, tight-packed and enticing. Nature is as much a part of them as human life; the two overlap.

Several stories are set in hospital, and illness, concentrating on the single spot of pain or feeling, acts as a sort of burning-glass, intensifying everything. One of the stories (one of the less good, I think) won Radio 3's short story competition last year.

Two of the best are set in *Malaya, among bandits*, with the same young man in them who then, in a third, comes home to Yorkshire and takes up the remains of a life we hear scraps about, enough to entice.

And last, my two "good reads," novels to be read primarily for documentary, not artistic, interest; in this case, two intelligent blockbusters, both highly informative, if that's what you want from fiction: *Chinese Alice*, about a missionary's daughter, kidnapped and kept as concubine in 19th century China; and *A Princess in Berlin*, set in the crazy German inflation of 1922.

Nothing to shout about BY ANTONY THORNCROFT

Shout!—The True Story of the Beatles
by Philip Norman. Elm Tree Books, £8.95 (paperback £5.95) 400 pages

On December 8 last year John Lennon was shot dead outside his New York apartment. Seldom can a biographer have been provided with a more momentous and unexpected climax to his book. For Philip Norman had laboured three years on a new study of the Beatles phenomenon, interviewing any of their former wives and associates who would co-operate, but drawing a blank on the four men who inhabited the inside track.

Lennon's murder converted Norman's painstaking labour into instant news. Unfortunately it also threw this meticulous 400-page history completely off-balance. The prologue, written after the shooting, has a florid literariness mixed with a portentous banality which is quite at odds with, and casts doubts on, the fairly objective account that follows. Lennon has an instant hagiographer.

For Norman Lennon's death is the greatest tragedy to hit Liverpool, "that ruined imperial city," worse even than the recession, which is saying something because the recession, "is more damaging than Hitler's Blitz." Such hyperbole continues over to the first sentence of the book where Lennon's birth has to occur in a suitably dramatic setting. Hitler gets resuscitated here but although it suits Norman that John Lennon should be born "during one of the fiercest night raids" of the War, October, 1940, was in fact a quiet time for Liverpool.

Philip Norman gets better as the story unfolds. It is fascinating enough: *four not particularly intelligent or gifted boys* becoming in a few years among the richest and most famous men on earth. Its impact on them is rather patchily told for the early days receive too much attention and the period of success too little. Norman ends with the break-up of the group, barely sketching in the last decade or so.

He is very good on Yoko Ono; on the Maharishi; on the workings and non-workings of Apple; in fact when he lets his journalistic cynicism show through. From the straight history Paul comes across as naive and rather nice; John as naive and rather nasty; George almost develops a character but in the end is allowed to become an indecipherable mystic; Ringo is "just Ringo" all the way, enough said. The set pieces of reportage—the trip to India for meditation and the death of Brian Epstein in particular—are well done, although Norman spoils the latter by introducing a dubious rumour that Epstein was murdered, which seems quite at odds with his description of his final tragic weekend.

This is another interim book about the Beatles. The curtain is lifted a little—a lawyer habitually appears at the end of the chapter waving a paternity order for a Beatle but for whom is never disclosed; yet in the end there is a feeling that one of the most intriguing stories of the century has yet to be fully and dispassionately followed through.

City of shrines and strife BY JOHN ROBERTS

Whose Jerusalem?
by Terence Prittie. Frederick Muller. £9.95. 246 pages

Jerusalem—the Eternal City, the City of Peace—remains a city with a troubled past and an uncertain future. Fought over by Jews, Christians, Moslems and assorted unbelievers it has become as much a political as a religious symbol to its devotees. The city is sought by contemporary Israelis as their "undivided capital," by the Arabs as the capital of an independent Palestinian state.

The religious drive which turned Jewish hearts in exile towards Jerusalem becomes supplanted by the need to control the city on the ridge, the citadel commanding the approaches from Jordan to the Mediterranean. On the Arab side, too, the city was required in 1948 for strategic reasons, as Terence Prittie makes clear.

In 1827 there were only 1,000 to 1,200 Jews in Jerusalem. Today there are perhaps 250,000 to around 150,000 Arabs, a proportion of whom are Christian. These Arabs regard themselves as Palestinians, not Israelis. Mr. Prittie may write that his old friend Teddy Kollek, the Israeli-chosen Mayor of Jerusalem, "sees himself as the representative of all the people of Jerusalem," but this does not mean that all the people of Jerusalem see Mayor Kollek as their representative. Indeed, the Israelis have just shown their distrust of Arab attitudes by stating that regular mayoral elections in the other occupied territories due to have taken place in April 1980 have been postponed indefinitely for fear of a victory by supporters of the Palestine Liberation Organisation. Since Arab Jerusalem was annexed to Israel in 1967, there is no question of Arab mayoral elections in the West Bank's most important city.

Mr. Prittie's and Mr. Kollek's suggestion of a united city with separate Jewish, Moslem, and mixed boroughs has much to commend it, but the Arabs will not sanction such a solution if Israel remains the ultimate arbiter of the city's fortunes—just as the Israelis would not accept the Arabs taking on such a role. If partition is rejected, then internationalisation—or dual sovereignty—will have to be considered. Mr. Prittie is right to describe Jerusalem as unique; but he should realise that the answer to the question posed by his title requires unique flexibility. There can be no paramountcy in a city holy to three faiths, and contested by two peoples.

HOW TO SPEND IT

by Lucia van der Post

Easter Eggstra

I SUPPOSE the most memorable Easter eggs I've ever been given were the ones my daughter painted *herself* one dull wet weekend. Which is only to say in a personal way what most of us already know—that it is originality, thought and care that make a present count. Though I wish Cadbury, Bournville and their ilk no harm, I really don't mind if I never see another mass-produced egg, as often as not made of indifferent chocolate, calculated to put on pounds and give one a headache to boot.

So if you're looking for some Easter present ideas you won't find much to do with chocolate on this page. All I've got to say on that subject can be said in very few words. If you really are addicted to chocolate make sure it's good. Prestat of 40 South Molton Street, London W1, is the place to go. Its truffles are unfailingly reliable and even I am prepared to risk getting fat and spotty for them, though not too fat and spotty seeing that they cost £1.40 a quarter. Harrods, too, has some marvellous handmade chocolates made from cream and all things delicious that would tempt even the legendary discipline of the Duchess of Windsor. They are called *Leonidas*, melt in the mouth and are as addictive as Prestat's truffles and nearly as expensive at £4.10 a lb.

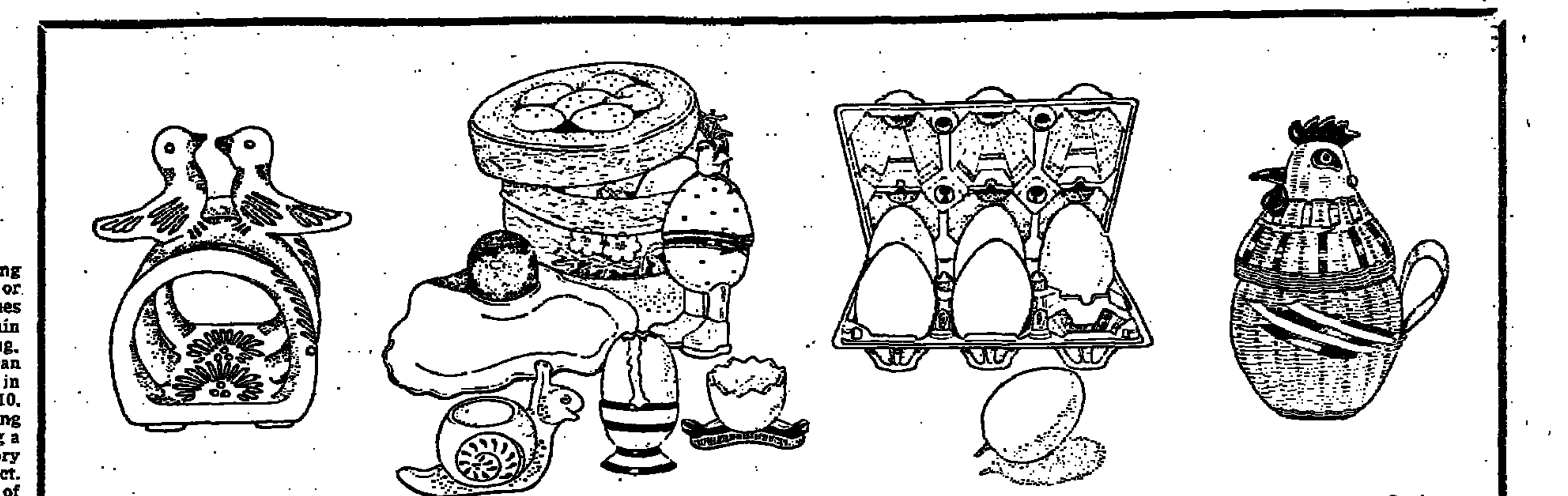
If your thoughts turn inexorably to food, much better for everybody and almost as delicious, is the range of natural health foods (Frontier Fruit and Nuts, they're called) that Harrods and a few other selected outlets now sell. There are yoghurt-coated peanuts and raisins, dried banana chips, dried pineapple pieces, as well as other combinations of dried fruits and nuts. They sell from 60p to £1 a quarter—a mixed boxful would go down very well. Caribbean Mix or Hawaian Mix sell for 94p a quarter.

Though children, of course, are entitled to expect a goodly portion of chocolate each Easter Day, there is now a wide range of small, not too expensive ideas which either enliven the family table on the day or can be taken as house presents for those who are going to stay with *friends* or relations. Scattered about this page are just some of those suggestions—there is now an enchanting range of egg-cups around and most towns should *yield a shop that sells at least* some of the ones pictured here.

My memories of Easter weekends when my children were smaller was that it was not so much what to eat that was a problem but what to do. If they are likely to enjoy making Easter presents or decorating Easter eggs of one sort or another (and the techniques are myriad, ranging from plain vegetable dyeing to painting, waxing, blowing) Londoners can go along to Hobby Horse in Langton Street, London, S.W.10, which sells almost everything anybody could need, including a series of small, explanatory colourful books on the subject.

For live demonstrations of the art there is quite a lot of choice for Londoners or those willing *to come to the city* (no doubt other big towns will have some demonstrations too). At Heal's today Barbara Taite will be in the Present Choice Department on the ground floor between 11 am and 4 pm showing how to set about painting eggs — *she will be doing clown* and nursery rhyme characters (they will be on sale afterwards at £4.80 each).

Those who are interested in the authentic Ukrainian techniques of waxing and dyeing (red is the traditional colour and there is an old saying that if ever Christians stop dyeing Easter eggs red, the end of the world will be at hand so I hope somebody is still at it) can go along to Barkers, Kensington High Street, London W.8, between 12 and 4 pm on April 13 and 18, when Marta Jenkala *will be showing just* how it's done.



Clare Brooks

LEFT TO RIGHT: Not exquisitely finished, but hand-made and with a lot of charm to make up for the lack of fine detail is this pink and white pottery toast-rack adorned by two little love-birds. It comes from that wonderful source of things original and off-beat, The Lock Shop, Commercial Place, Camden Lock, Chalk Farm Road, London NW1. £4.25, but alas, it is too fragile to post, so personal shoppers only.

At the back of the group is a charming tin which holds six blue eggs of soap, all embedded in straw for the authentic farmyard touch. The tin costs £4.45 (plus £1.10 p+p). One of the nicest presents to take if you are going to stay in somebody else's house and know that chocolates wouldn't go down well. Made by Ian Logan they are available from Graham and Greene, 4 and 7 Elgin Crescent, London W11. The shops also sell individual small brown eggs (also made of soap) for 85p each (plus 25p p+p).

Middle left, is a charming ceramic visual pun. A bright yellow egg yolk (which when turned the other way up becomes an egg-cup) sits in the middle of the fried white of egg (the plate). Would delight any child. £2.65 (plus £2 p+p) from Heal's of 196 Tottenham Court Road, London W1.

Bottom left is a snail egg-cup, in green and white china, it comes from a small English pottery factory in Somerset. £5.30 (plus 50p p+p) from Graham and Greene.

Top right, a chick egg-cup in cream, green and yellow, the lid topped by a little chicken. £6.50 (plus £2 p+p) from Heal's.

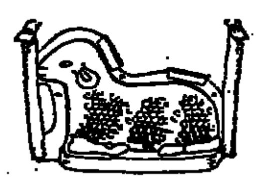
Front right, half a cracked egg, sitting on a pair of chicken feet. £3.30 (but too fragile to post) from Graham and Greene. There is also a matching salt and pepper set at £5.90.

Middle front, not the right shape to hold an egg, this ceramic version of an empty boiled egg, sitting in its blue and white egg-cup is meant to be a small vase or pencil holder. There's a small one (about 10 cm high) for £2 and a larger one (about 20 cm high) for £8. From Christopher Strangeways at 3 Holland Street, London W8, 502 Kings Road, London SW10, and 19 The Market, Covent Garden, London WC2.

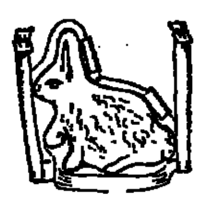
Next, is a very realistic transparent plastic egg-box holding what looks for all the world like a box of three brown and three white eggs. They are in fact all egg-shaped pens. £1.65 a box (plus 45p p+p) from Knutz, 1 Russell Street, London WC2.

Finally, a wicker cockerel. The lid lifts up to reveal that it is also a box as it is fitted with an enamel interior. Could be used to hold a clutch of boiled eggs or anything else you fancy. £4.95 from Way In Living at Harrods, London SW1 (plus £1.80 p+p).

ORIGINAL early American hand-painted decoy ducks have become a very modish accessory in many homes and I can see why—*they* are such *inherently* beautiful things, often so finely-made and each one is hand-painted in a distinctive way. The real thing has now become very expensive (if you can find them) so that those who like their decorative aspect and aren't too worried about authenticity can buy lovely versions from Ehrman of 123 Fulham Road, London, SW3. *As you can see from the* picture, left, there are three main varieties—referred to by Ehrman as Mrs. Elegant (on the left), Mrs. Puff (at the back) and Mrs. Know-It-All *(front right). They are all* carved in wood and are hand-painted and come, needless to say, from China. They sell for £16.50 each and can be posted to anywhere in Britain for an extra £2.20.



THE really energetic or those desperate to find something to keep the kids amused during the holidays could try making their own Easter eggs. I have to confess I've never tried so I have no idea how complicated it is. *I'm told one of the* secrets is to use only bitter chocolate (which you can sweeten to taste by adding sugar or honey, but don't buy it ready-sweetened for the chocolate will have been diluted with milk and the eggs won't be the right colour). Divertimenti of 68 Marylebone Lane, London W1 has several moulds complete with instructions, including the lamb above (£4.14) and the bunny below (£3.81). Postage and packing is 70p.

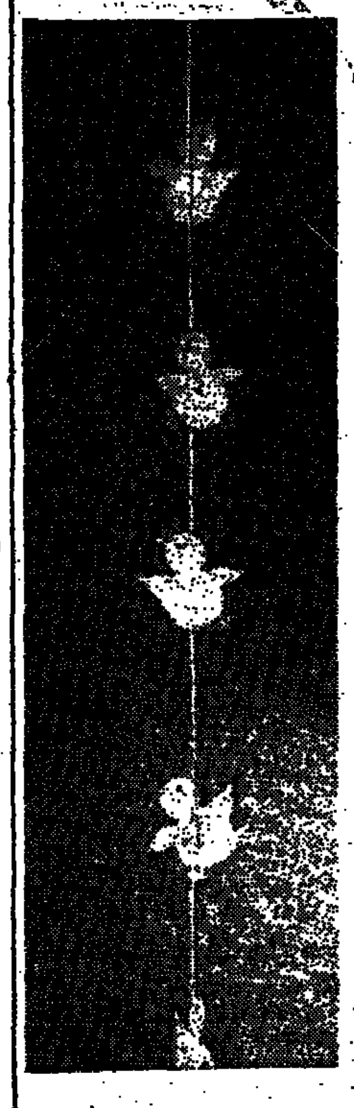


YET another idea to keep the kids occupied and to lend a festive air to the Easter scene. Pamela Woods (who has also in her time put together kits for making your own Christmas cracker) has devised a small kit to help children (or any adults who are minded to do such a thing) create some *festive eggs*. For £1.90 (which includes p+p) she sends out two polystyrene eggs and lengths of fine blue and yellow ribbon and instructions on how to attach the ribbons (*with minute* little pins) to the egg so as to create the kind of decoration shown left. A simple, not too expensive idea, and those who are clever at devising such *things could do it on their* own. If you'd like the kit and instructions, send £1.90 to Rayher Hobby, 6 Balmoral Drive, Brinscall, nr. Chorley, Lancs.

MANY readers look forward to the regular new designs that issue forth from Halcyon Days. Every Christmas, every Easter and at other varying anniversaries through the year Halcyon Days always produces a limited edition of its now famous enamelled boxes or eggs. Those who started collecting the Easter Egg enamels when the series was first started way back in 1973 will be happy to know *that by now the value of their collection* has increased enormously.

This year's Easter Egg from Halycon Days pictures Moira Hoddell's design of a 19th century carousel. The edition is limited in the sense that all production will stop on April 30 of this year so if you want to add to, or start a collection, *there is no time to lose.* The egg is 1¾ in in diameter and costs £25.50 (plus £1 p+p) from Halcyon Days, 14 Brook Street, London, W1.

At the same time Halcyon Days is offering a charming cylindrical box to celebrate the Victoria and Albert Museum's summer exhibition "Spotlight—Four Centuries *of Ballet Costume* in tribute to the Royal Ballet." The first box was presented to Princess Margaret this week by Dr. Roy Strong at the private view of the exhibition—the rest of us can buy one of the limited edition boxes for £32.50. Part of the proceeds of sales will go to the Royal Ballet.

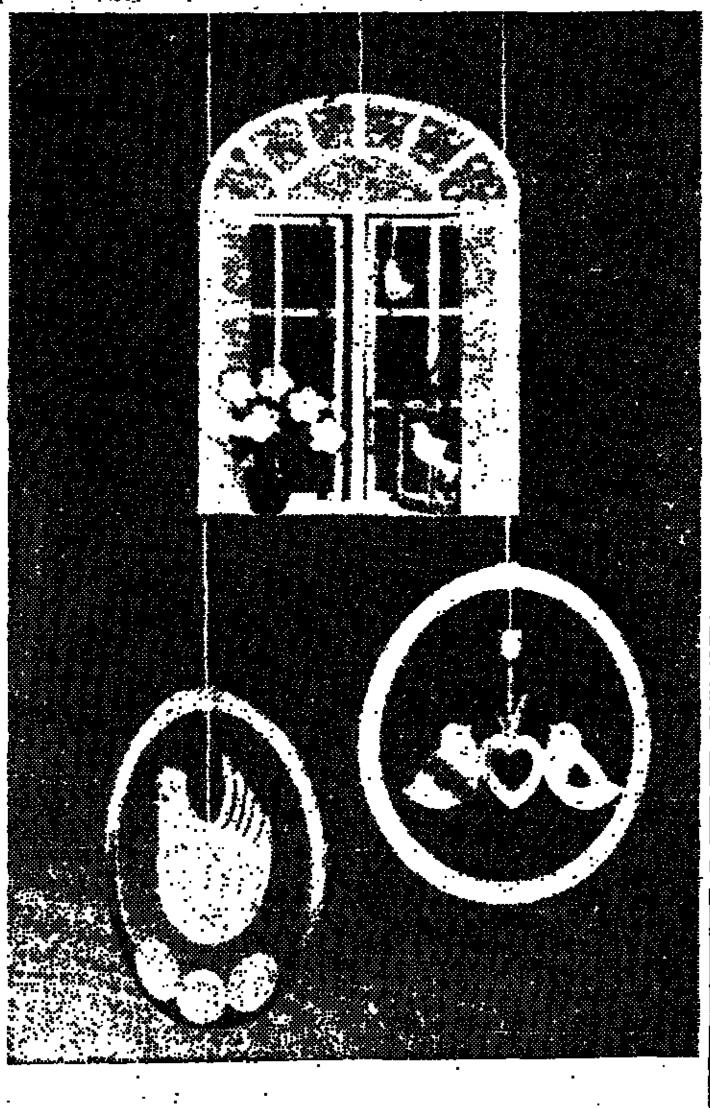


The Danish House at 16 Sloane Street, London SW1 is a very good source of *decorative* festive ideas. The Danes in common with most other Scandinavians do really seem to have a flair for knowing just how to make a house or a table *look good.*

For Easter, the traditional colours that many Danes will apparently be using in their houses, are yellow and green and anybody wanting to do it the Danish way *should go* along to the Danish House and see what can be done. Many of the decorative ideas are very inexpensive—little paper mobiles, candles encircled by *wreaths of yellow and green* flowers, little paper baskets bedecked with green and yellow flowers—all these are very inexpensive, costing something between 75p and £2.

Particularly appealing and offering a lot of visual charm for very little outlay are the Danish mobiles. Photographed left is a string of four small yellow birds—£1.20 the packet (plus 20p p & p). Photographed right is a window mobile—one of the largest and most decorative —£4.85 (plus 20p p & p).

Below near right is yellow, green and white mobile featuring a hen hovering above three white eggs £1.95 (plus 20p p & p). Far right, again in the sunny colours of yellow and light green, is a pair of love-birds round a heart and tulip. £1.95 (plus 20p p & p).



RIGHT: If you're going to be staying with friends over Easter, a somewhat more lasting present than either chocolates or edible goods might *be more* suitable. Rosenthal Studio-House has a rather lovely white porcelain vase by Arzberg which it proposes filling with spring flowers to make an Easter present. The vase itself is attractive enough for it to go on being useful for ever—it can either be filled with flowers or used as a cache pot for plants. It is about 13.5 cm high and has a fluted, petal-shaped rim. The vase is available filled with flowers for Easter to personal shoppers only. Those who want to buy it plain by post, should add an extra £1 for postage and packing. Rosenthal Studio-House is at 102 Brompton Road, London, SW3.

LEFT: yet another idea for those who believe that the best presents are those that last. At Grays Antique Market there is a host of ideas for Easter presents with a difference. Photographed here is a green crackle glass egg, about 14 ins high, which is the wrapping for a decanter and six glasses. Dating from the 1930s it is £45 and comes from L'Exposition, stand C29/30, Grays Mews, 1-7 Davies Mews, London, W1. If you have time to browse there's lots more to find—for *£15 you can buy* a carved wood Easter egg box from stall J21. For only £5, from stall J25, there's a carved hinged egg-shaped box. At stand C27 there's a piece of *authentic treen for £10*—an egg in an egg-cup, made from two fruits which turns out to be a thimble in its holder.

ARTS

From stage to air

BY B. A. YOUNG

David Pownall's *Beef*, Thursday on Radio 3, is one of those plays that was commissioned both for broadcasting and the stage. I saw it on tour when it passed through Swindon (and thought the three-day run there hardly did it justice). I liked it well on the air too; the transfiguration of Dublin layabouts into legendary Irish figures like Queen Maeve and Cuchulain works better when you have to visualise it than when you actually see it. I reviewed the play on February 25, but by way of a reminder, it's a modernised version of the old tale of the Cattle Raid of Cooley, which I don't suppose any of us had heard of before. It's set in an abattoir where two bulls awaited for slaughter can easily stand for Ulster and the Republic. The reconstituted immortals set themselves the task of causing an earthquake at the moment when Pope John Paul II sets foot in Clonmacnoise monastery.

Mr. Pownall is not Irish, but he is highly malleable, having in his time written like a Frenchman about the French and like a Tswana about the Tswana, and Beef is as Irish a play as you could want. It was re-directed for radio by Ian Cotterell, and very nicely too. There is a number of scenes that call for rowdyism by rowdy people, and I don't think it was only because I could recall the stage picture that I found it all so evocative.

The cast was as for the stage production, which was directed by John Adams for the Paines Plough Company, a good—I would even say under-rated—company that is as malleable as Mr. Pownall, and for this occasion was heavily loaded with familiar Dublin theatre names like Garrett Keogh, Fiona Victory, Gerard Mannix Flynn. As an instance of a piece deliberately written both for broadcasting and for the stage, it sets as good example.

Drama of a different calibre is John le Carre's *A Murder of Quality*, which is going out in five parts on Radio 4, on Mondays at 6.30 pm and on Wednesdays at 12.30 pm. (Strictly speaking, at 12.27 pm this week.) I was drawn to it by the author's name. It is derived, in an adaptation by Rene Basilico, from one of his early novels, and it may well be that the story is as well-known to addicts as *The Murder of Roger Ackroyd*. Having only heard the first two bits, I mustn't speculate whether or not it will present a baffling problem, the baffling problem class ("who murdered the schoolmaster's unpopular wife?") being where it belongs.

It has at least seduced me into a desire to know the culprit, and it has an extra attraction in that George Smiley, no less, is going to find him out for us, in a new, or strictly speaking old, capacity as amateur private detective. To fit the part, he seems to have done a bit of transfiguration himself, and has turned halfway into Lord Peter Wimsey, complete with casual expertise on music and gastronomy. We shall have him sitting at the harpsichord to throw off a toccata of Galuppi any minute, if he runs true to form.

Rhode's forgotten briefcase in Part One, that made it possible for him to be away from his wife at the apparent moment of her demise, when by all expectations they should have been together, needs a bit of explaining if it isn't going to seem crude clue-supply. The character of Mad Janie, whose incoherent gabble arouses as much interest in Smiley's mind as any enciphered secret document, is going to need some clever justification too. Well, three more instalments and we're in. George Cole is playing Smiley and the producer, with a curiously small company ("other parts played by members of the cast"), is John Fawcett Wilson.

If the Reith Lectures don't stir up controversy, it seems to me they haven't fulfilled their task. I confess that I didn't hear all Ian Kennedy's talks on medicine in our time, in which he set himself the job of "looking behind the mask" of medicine as it is practised today. But I did hear the debate on them which Radio 3 broadcast last Monday and very stimulating it was.

We had a GP, a consultant anaesthetist (who is a member of the General Medical Council), the Director of Research at the Imperial Cancer Research Fund, Mr. Kennedy himself, Enoch Powell, who was once Minister of Health, and the incomparable Michael Charlton in the chair, and Mr. Kennedy got pretty well torn apart until everyone had said what they wanted to say and the debate grew less heated. It is not for me, whose relationship with my doctor is a purely passive one, to say here who was right and who was wrong; but the basic question, whether medicine should concentrate mainly on curing the sick or on reforming society until the sick are a less pressing problem, is one that no one can fail to care about.

Swanson—the unlikely goddess

BY NIGEL ANDREWS

Swanson on Swanson by Gloria Swanson. Michael Joseph, £9.95. 520 pages

Gloria Swanson is perhaps the most unlikely sex goddess ever to have graced the world's movie screens. The extraordinary is part of superstar-dom, but alone among great sirens of the American screen Swanson has almost no claim to conventional beauty at all: a taut, bony face with long chin, uptilted nose and those famously large and predatory-looking teeth. Only the dark, long-lashed eyes and the smouldering pallor of the complexion have a classical seductiveness.

Yet Swanson on song and in her heyday could out-vamp almost every other silent-movie actress. Even second- and third-generation filmgoers underprivileged enough to know her only by *Sunset Boulevard* (or, Heaven forfend, *Airport '75*) can attest to her spidery-diva magnetism, her patrician slinkiness in baroque convolutions of black.

No film star ever wore clothes quite like Swanson, not even Dietrich when Von Sternberg hung the contents of the studio wardrobe over his star, veiling her with veils and festooning her with boas. Nor did any star slip so naturally as Swanson into the epithet "regal." It's no surprise—although a cherishable throwaway—when Swanson tells us late on in her new autobiography that at the opening night of *Sunset Boulevard* "people clustered around me, and I had trouble moving up the aisle. Barbara Stanwyck fell on her knees and kissed the hem of my skirt." This quasi-Biblical obeisance is the highest form of cinematic tribute and it cheerfully riddles *Swanson on Swanson*.

The secret to enjoying most movie autobiographies is to treat them as—movies. It's not that the events portrayed are themselves ficticious as that their selecting-out by the author is shaped invariably by showbiz instincts. The narrative thrust of Miss Swanson's book is pure Hollywood: the rise from rags to riches; the conflicts between love and work, private and public life; the reaching of the pinnacle and then the noble abdication from the limelight; and last the coda with its deathbed-repentence sigh of *perhaps-I-should-have-given-more-to-love-and-less-to-my-career*.

All are here in *Swanson on Swanson*, and yet ironically one would rather have this ritualistic ride through the Stations of Hollywood than a flat inventory of truth tagged with affidavits from all the participants. Swanson is a veteran survivor of six marriages plus affairs with numerous *illuminati* of the film world and outside (from Herbert Marshall to Joseph Kennedy), and she wears her bruised heart on n immaculately-styled sleeve. A sort of grand egotism runs through the book, creating a self-portrait and surely designedly, in key with Swanson's gaunt and queenly persona on the screen.

Cecil B. DeMille, later to guest-appear as himself in *Sunset Boulevard* and to inspire its immortal valedictory line ("All right, Mr. DeMille, I'm ready for my close-up!") was Swanson's real Pygmalion in the silent era. He cast her as in a legion of films as erring wife, siren mistress, woman scorned—all those sultry-potent heroines who walked tall and talismanic through the lives of their beleaguered men.

Swanson throws in two or three wonderful sketches of celebrities of the period: not only De Mille himself, that gnome-like Messiah with the shiny pate ("He wore his baldness like an expensive hat, as if it were out of the question to have hair like other men"), but screen idol Francis X. Bushman (who "had a spotlight in his lavender car that illuminated his famous profile when he drove after dark") and screenwriter and high seeress of Hollywood Romance Elinor Glyn ("People moved aside for her as if she were a sorceress on fire or a giant sting ray").

There are *sturm and drang* high points of scandal-sheet melodrama in the book: Swanson's traumatic wedding night with first husband Wallace Beery, the miscarriage that later followed (induced by Beery), and later still—two marriages further on—an abortion that went badly awry and landed her in a long hospital sojourn.

Many of these and similar incidents unfurled under the dread shadow of the Hays Code, when film stars were supposed to be as morally pristine as their product. Swanson has some hilarious digs at the dire decalogues that Hays inaugurated at Hollywood's own self-protective behest: from banning kisses that lasted longer than 10 ft of film to "indexing" whole cohorts of books and plays. Swanson's own movie of Maugham's *Rain* was only smuggled into production because she cunningly based it on the short story *Miss Thompson*, which the Hays Office didn't know, rather than the play *Rain*, which they did.

Full of sidelights on the decades she royally moved through, and full of well-placed spotlights on the exotic tangles of her own life, *Swanson on Swanson* is a cherishable chunk of Hollywoodiana. It's the product of—and a tribute to—a film star who even when forced to *silence by the technical limitations of the cinema of her day* had an articulacy and a "voice" that are readily reconisable in these pages.

Coming up

BY ROSALIND CARNE

Apart from a single fine performance, there is nothing inspiring or even particularly interesting in this new production from Belts and Braces at the Half Moon. The acting accolade goes to Lynne Verrall, whose beautifully mobile face and sensitive responses gave substance to an exceedingly modest role as Sarah, the protagonist's sister. A close runner up is Jane Cox as Rosie, the mother. But sadly, *Coming Up*, by Kate Phelps, is an eclectic rag bag of themes which fairly limps along from inauspicious beginnings to the final piece of lame polemic.

Kevin Laird, a working class homosexual actor, is torn away from London and an apparently loving, but problem-ridden, relationship, to visit his suddenly widowed mother in his home town, Sheffield. His lover Philip, a successful left-wing writer, follows in hot pursuit with a bunch of yellow flowers. The colour may be significant, for everything else, from costumes to sets, designed by Paul Dart, is in black and white.

The ensuing confrontations are bleakly familiar. Then as the general preparations proceed it becomes apparent that the father's death is shrouded in mystery. Was it natural or was he murdered by the police? The action moves slowly and the precarious atmosphere built up in the homecoming scenes is so precariously maintained that one hardly cares.

Drew Griffiths as Kevin, has an impressive vocal range. But stony-faced anger is the mainstay of a performance which relies on technical quantity *rather than quality. John Grantham is an uneasy Philip, with a disquieting habit of batting his eyelids and smiling inanely at inappropriate moments.* Their relationship is hardly credible. On the one occasion they declare their love Kevin immediately turns away and walks upstage.

Peter Attard as the father's trade union comrade has a firm, steely quality which quickly turns to drone in the longer speeches. But he is not helped *by the writing.*

South Bank jazz

Jazz promotor Michael Webber starts his 1981 season of jazz concerts on the South Bank on Saturday at the Purcell Room. On this occasion trumpeter Digby Fairweather and pianist Fred Hunt will play solos and duets from the classic jazz repertoire including a tribute to Bix Beiderbecke who died 50 years ago.

On Sunday May 17 there will be a Duke Ellington anniversary concert in the Elizabeth Hall featuring Humphrey Lyttelton and his band with guests.

'Goose-Pimples' to transfer to the Garrick

The Hampstead Theatre's production of Mike Leigh's new play *Goose-Pimples* will transfer to the Garrick Theatre from Wednesday, April 29.

The play opened at Hampstead Theatre on March 3 when it received wide critical acclaim and is playing to capacity audiences. It will finish its run at Hampstead on Wednesday, April 22.

Robert Cohen

The 21-year-old cellist Robert Cohen created a considerable stir a few months ago with his recording of Elgar's cello concerto on the Classics for Pleasure label. His performance has led to the most exalted claims for his future and to a great deal of not necessarily helpful publicity. Thursday evening's Philharmonia concert at the Festival Hall, in which he played Schumann's concerto, could not fail then to be something of a public examination. But it is not the easiest concerto with which to make an impression, nor necessarily young man's music.

Technically Cohen has all the equipment he needs. His tone is full and carried well in the Festival Hall, even over what is not always Schumann's most limpid scoring. But at present he responds better to the larger-scale gestures and to the longer sustained lyrical lines than to the conversational exchanges that make up much of this concerto. Sometimes also sequential passages found him wanting in exactly what to do to make them interesting—a thin line must be drawn between archness and aridity—though he showed himself well aware of the problem. What impressed most was his ability to move into the music, to mark pauses and paragraphs naturally, and to parse convincingly a concerto whose structure can leave the most experienced cellists at a loss.

The concert was conducted by Riccardo Muti, extracting from the Philharmonia always spirited playing even if occasional roughnesses could not be obscured. Purcell's G minor Chacony was perhaps not the wisest way to begin the programme for it lacked something in conviction and requires an even smaller and more refined band of strings to effect the kind of nuances that Muti tried to bring to it. The gestures in Beethoven's seventh symphony, by contrast, were conceived on the grandest scale; the first movement in particular was a tremendous demonstration of powerful orchestral control. Elsewhere, however, instrumental detail could have been more carefully judged.

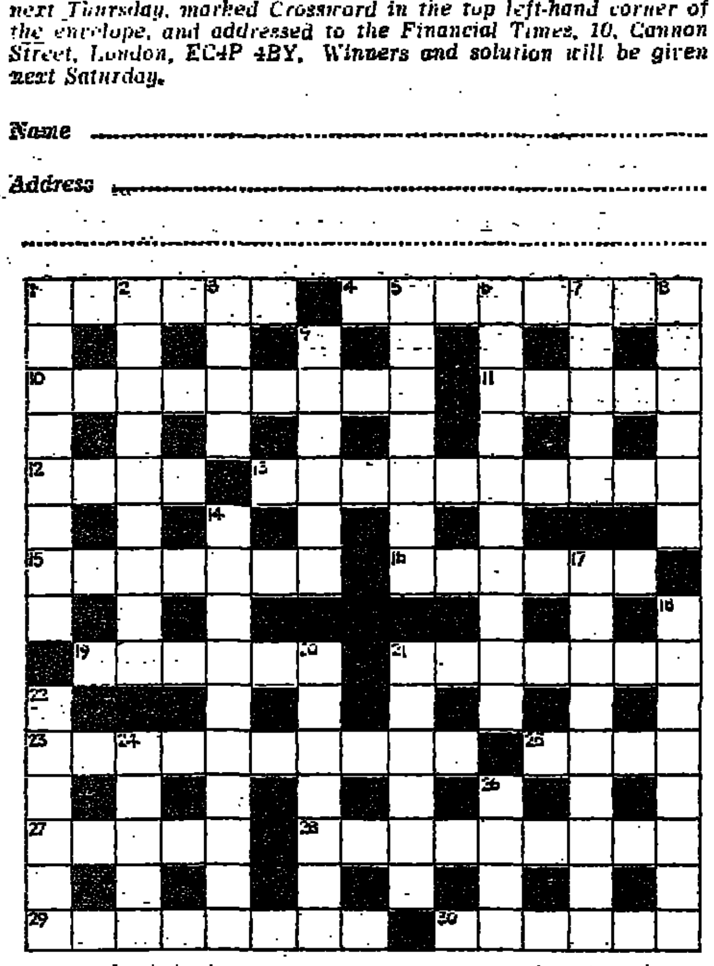
ANDREW CLEMENTS

F.T. CROSSWORD PUZZLE No. 4,543

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



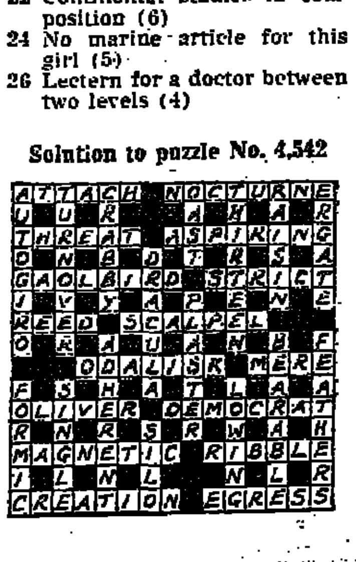
ACROSS

1 Poor actor allowed in tragedy (6)
4 Rich man finds former PM stripped (8)
10 Will try the final word before tea (9)
11 The cavity is an offence to us (5)
12 Magdalene upset by the host (4)
13 Forensic address gives you the first shot (4, 6)
15 Farthest objective for the majority (7)
16 Frames the actor aboard (6)
19 Colour for the comparatively insane (6)
21 He was christened Ralph Waldo (7)
23 "Oh what a —— we weave" (Scott) (7, 3)
25 An assistant bound to decamp (4)
27 Do the Irish Police form an architectural order? (5)
28 The original Goldfinger (4, 5)
29 Penchant for the final number (4, 4)
30 Faint-hearted — that's a drawback for a commander (6)

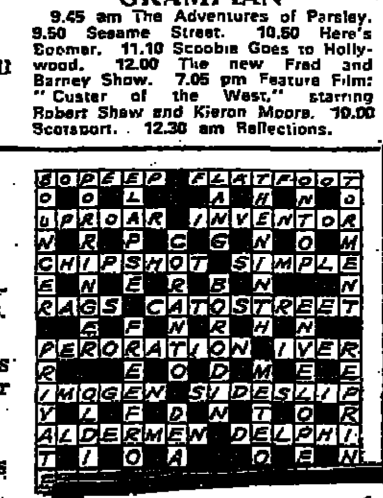
DOWN

1 A convenience bad to get into (3, 5)
2 Made amiss for widespread communication (4, 5)
3 Impetuosity observed in The Lancers (4)
5 Successively confines within bounds, we hear (2, 5)
6 "Ship me somewheres —" (Kipling) (4, 2, 4)
7 Brown has spirit for the dance (5)
8 Longing for title in the river (6)
9 Statement about the Left could be explosive (6)
14 She upset Ursa Minor (10)
17 Trading Company resulting from Asian diet (4, 5)
18 Formerly employed—it's not something new (4, 4)
20 Indian relationship with the Russian (7)
21 Off-stage direction (6)
22 Continental studies in composition (6)
24 No marine article for this girl (5)
26 Lectern for a doctor between two levels (4)

Solution to puzzle No. 4,542



SOLUTION AND WINNERS OF PUZZLE No. 4,537



Mr. P. L. Allen, 142 Alexandra Road, Farnborough, Hants.

Mr. B. Cozens, 31 Fox's Covert, Fenny Drayton, near Nuneaton, CV13 6BQ.

Mr. W. F. Findlay, 40 Uplands Way, London, N21 1DT.

TV/Radio

BBC 1

9.05 am Swim. 9.30 Lassie. 9.50 Help! It's The Hair Bear Bunch. †10.15 Charlie Chaplin in "The Fireman." †10.45 Good House Wrecking. 11.05 "The *Mouse On The Moon*," starring Margaret Rutherford. 12.27 pm Weather.

12.30 Grandstand: Football Focus (12.35); Snooker (1.05, 3.05, 3.55) Embassy World Professional Snooker Championship; Badminton Horse Trials (1.30, 3.35, 4.20); Racing From Newbury (1.50, 2.20, 2.50, 3.20); Squash (2.05) British Open Squash Championship; 3.50 Half Time Scores; 4.40 Final Scores.

5.10 The Dukes of Hazzard.
6.00 News.
6.10 Sport/Regional News.
6.15 The Saturday Film: "Krakatoa — East of Java," starring Maximilian Schell.
8.25 The Val Doonican Music Show.
9.10 Dallas.
10.00 News and Sport.
10.15 Not The Nine O'Clock News (BAFTA).
11.00 Saturday Night At The Mill.
†11.50 Phil Silvers as Sergeant Bilko.

All Regions as BBC1 except as follows:

Cymru/Wales — 6.10-6.15 pm Sports News Wales. 12.15 am Weather for Wales.

Scotland — 4.55-5.10 pm Scoreboard (1). 6.10-6.15 Scoreboard (2). 12.15 am News and Weather for Scotland.

Northern Ireland—5.00-6.10 pm Scoreboard. 6.10-6.15 Northern Ireland News. 12.15 am News and Weather for Northern Ireland.

England — 6.10-6.15 (South-West only) Saturday Spotnight.

BBC 2

7.40 am-1.55 pm Open University.
†1.55 pm George Cukor Double-Bill: "Holiday," starring Cary Grant and Katharine Hepburn; and at 3.30 pm "Pat And Mike."
5.05 Badminton Horse Trials.
5.50 The Sky at Night.
6.10 Embassy World Professional Snooker Championship.
6.45 Rugby Special.
7.35 News and Sport.
7.50 Dizzy—A Man For All Seasons.
8.25 Horizon.
9.15 Snooker, highlights.
10.15 The Old Grey Whistle Test.
10.55 News on 2.
11.00 Snooker.
11.35 George Cukor's "Justine," starring Anouk Aimée and Dirk Bogarde.

LONDON

8.45 am Sesame Street. 9.45 Joe 90. 10.10 Survival. 10.35 Anna And The King. 11.00 Thunderbirds. *12.00 Mork and Mindy.*

12.30 pm World of Sport: 12.35 On The Ball; 1.00 International Sports Special (part 1) Gymnastics: The Moscow News Tournament; 1.15 News; 1.20 The ITV Six from Ayr and Beverley; 3.10 International Sports Special (part 2) Motor Cycling—The World of Sport Superbike Challenge from Donington; 3.50 Half Time Soccer Round-up; 4.00 Wrestling; 4.50 Results Service.

5.05 Metal Mickey.
5.35 News.
5.40 Buck Rogers in the 25th Century.
6.35 Only When I Laugh.
†7.05 "Reach For The Sky," starring Kenneth More and Muriel Pavlow.
9.45 News.
10.00 The Big Match.
11.00 Golf—The U.S. Masters.
12.30 am Close: Personal Choice with Rosalind Runcie.

All IBA Regions as London except at the following times:

ANGLIA

9.40 am The Lost Islands. 10.05 Rocket Robin Hood. 10.25 Ad Lib. 10.50 Saturday Morning Film: "Belles of St. Trinian's." 7.05 pm Feature Film: "Custer of the West," starring Robert Shaw and Mary Ure. 10.00 Match of the Week. 12.30 am At the End of the Day.

ATV

9.10 am Co-operate! 9.35 Numbers at Work. 10.00 The Flying Kiwi. 10.30 The ATV Saturday Morning Picture Show: "Beau Brummell," starring Stewart Granger, Peter Ustinov and Elizabeth Taylor. 7.05 pm Saturday Cinema: "Custer of the West," starring Robert Shaw and Robert Ryan. 10.00 Star Soccer: Highlights of three top matches including a major First Division match from the Midlands.

BORDER

9.10 am Co-operate! 9.35 Numbers at Work. 10.00 World Famous Fairy Tales. 10.15 Fangface. 10.35 Cartoon Time. 10.45 Laurel and Hardy. 11.10 Superstar Profile. 11.35 The Incredible Hulk. 7.05 pm Saturday Cinema: "Custer of the West," starring Robert Shaw and Robert Ryan. 10.00 Shoot.

CHANNEL

5.40 pm Puffin's Pla(i)ce. 7.07 TV Movie: "A Fire in the Sky."

GRAMPIAN

9.45 am The Adventures of Parsley. 9.50 Sesame Street. 10.50 Here's Boomer. 11.10 Scooby Goes to Hollywood. 12.00 The new Fred and Barney Show. 7.05 pm Feature Film: "Custer of the West," starring Robert Shaw and Kieron Moore. 10.00 Scotsport. 12.30 am Reflections.

GRANADA

9.15 am No Need to Shout. 9.40 Numbers at Work. 10.05 Survival. 10.30 Mystery Island. 10.40 "Living Free," starring Susan Hampshire. 7.05 pm "Zulu," starring Stanley Baker and Michael Caine. 12.30 am Lou Grant.

HTV

9.20 am Numbers at Work. 9.45 No Need to Shout. 10.10 The Undersea Adventures of Captain Nemo. 10.15 Spiderman. 10.40 The Private Navy of Sgt. O'Farrell," starring Bob Hope and Phyllis Diller. 12.28 pm HTV News. 5.39 HTV News. 7.05 "Custer of the West," starring Robert Shaw and Mary Ure. 10.58 HTV Sports Headlines.

HTV Cymru/Wales—As HTV West except: 10.10-10.40 am The Book Tower. 5.05-5.35 pm Sion a Sian.

SCOTTISH

9.10 am Co-operate. 9.35 Numbers at Work. 10.00 The New Fred and Barney Show. 10.25 Ad Lib. 10.50 The Enchanted House. 11.05 240 Robert. 12.00 Clapperboard. 7.05 pm Feature Film: "Custer of the West," starring Robert Shaw and Mary Ure. 10.00 Scotsport. 12.30 am Late Call.

SOUTHERN

8.50 am God's Story. 9.05 Sesame Street. 10.00 Clapperboard. 10.27 Regional Weather Forecast. 10.30 Mork and Mindy. 11.00 The Lone Ranger. 7.05 pm "Custer of the West," starring Robert Shaw. 11.00 Southern News followed by U.S. Masters.

TYNE TEES

9.00 am Chopper Squad. 9.50 Butch Cassidy. 10.15 Cartoon Time. 10.25 Ad Lib. 10.50 Saturday Morning Movie: "The Court Jester," starring Danny Kaye and Glynis Johns. 5.40 pm North East News. 7.05 "MacKenna's Gold," starring Gregory Peck and Omar Sharif. 10.00 Shoot! 12.30 am Three's Company.

ULSTER

9.15 am No Need to Shout. 9.40 Numbers at Work. 10.05 Fangface. 10.25 Sesame Street. 11.25 Sally and Jake. 11.35 Tarzan. 12.35 On the Ball. 5.05 pm Sports Results. 5.38 Ulster News. 7.05 Feature Film: "A Fire in the Sky," starring Richard Crenna. 9.59 Ulster Weather. 12.35 am Bedtime.

WESTWARD

9.25 am Look and See. 9.30 Thunderbirds. 10.25 Gus Honeybun's Birthdays. 10.25 Ad-Lib. 10.50 The Saturday Morning Picture Show: "The Life and Times of Grizzly Adams." 12.27 pm Westward News. 7.05 Movie: "A Fire in the Sky," starring Richard Crenna. 12.30 am Faith for Life. 12.35 West Country Weather, Shipping Forecast.

YORKSHIRE

9.00 am Co-operate! 9.25 Spiderman. 9.40 Chips. 10.25 Ad Lib. 10.50 The Saturday Morning Picture Show: "The Life and Times of Grizzly Adams." 7.05 pm "A Fire in the Sky," starring Richard Crenna. 10.00 The Big Game: highlights from a top local game, plus action from two other matches.

RADIO 1

(S) Stereophonic broadcast ‡ Medium Wave

6.00 am As Radio 2. 7.00 Playground. 8.00 Tony Blackburn with Junior Choice. 10.00 Peter Powell. 1.00 pm 25 Years of Rock (S). 2.00 A King in New York (S). 2.30 Paul Gambaccini (S). 4.00 Walters' Weekly (S). 5.00 Rock On (S). 6.30 In Concert (S).

RADIO 2

5.00 am Tom Edwards (S). 8.05 David Jacobs (S). 10.00 Pete Murray's Saturday Show (S). 12.00 The Magic of ... Ronnie Aldrich. 1.30 pm The News Huddlines. 1.30 Sport on 2: F.A. Cup Special (1.30, 2.00, 2.45, 3.10, 3.45, 4.45, 5.00); Cricket: Fifth Test (1.30, 2.25, 2.55, 3.25, 4.50); Racing from Newbury. 5.00 Sports Report, including 5.45 Cricket Report/Rugby Round-up; 5.55 Motor Racing/Golf; 5.45 Classified Football Results/Racing Results. 6.00 European Pop Jury. 7.00 Three in a Row. 7.30 Big Band Special (S). 8.00 Saturday Night is Gala Night (S). 9.00 It's All Billington, tribute to the Cotton Club days of Duke Ellington (S). 10.00 Hilversum Greats. Radio 2 (S). 11.02 Sports Desk. 11.10 Peter Marshall with The Late Show (S). 12.00 News. 2.00-5.00 am You and the Night and the Music (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.15 Bandstand (S). 11.45 Overseas [illegible] (S). 1.00 pm News. 1.05 London Oboe Quartet (S). 2.00 Play it Again (S). 4.25 Test Match Special (West Indies v. England). 6.35 The Organ in the Grand Siecle (S). 7.15 Three Pieces by William Hazlitt. 7.45 "Joe Hill—The Man Who Never Died," opera in two Acts by Alan Bush, Act 1 (S). 8.50 Words, Words, Words. 9.10 "Joe Hill," Act 2 (S). 10.40 Middling (short story). 11.00 News. 11.05 Faure (S). 11.15-11.45 Test Match Special.

VHF—with Medium Wave except as follows: 5.55-7.55 am Open University. 4.25 pm Play it Again (S) (continued). 5.00 Jazz Record Requests with Peter Clayton (S). 5.45-6.35 Critics' Forum. 11.15-11.55 Open University. 11.55-12.55 am Open University for students in Scotland, Wales and Northern Ireland.

RADIO 4

6.25 am Shipping Forecast. 6.30 News. 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather; Programme News. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's a Bargain. 7.55 Weather; Programme News. 8.00 News. 8.10 Sport on 4. 8.45 Today's Papers. 8.50 Yesterday in Parliament. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 The Week in Westminster. 10.30 Daily Service (S). 10.45 Pick of the week (S). 11.35 From Our Own Correspondent. 12.00 News. 12.02 pm Money Box. 12.27 Just a Minute (S). 12.55 Weather; Programme News. 1.00 News. 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.05 Wildlife. 2.30 The House of Marth (S). 3.25 International Assignment. 3.55 The Hanging Dale. 4.00 Profile. 5.00 People and Places. 5.25 Week Ending. 5.50 Shipping Forecast. 5.55 Weather; Programme News. 6.00 News. 6.15 Desert Island Discs. 6.50 Stop the Week with Robert Robinson. 7.35 Baker's Dozen (S). 8.30 Saturday-Night Theatre (S). 9.40 Mazeda. 9.55 Weather. 10.00 News. 10.15 Songs for the Times. 11.00 Lighten Our Darkness. 11.15 Cosmotheke. 11.35 Club land Horses. 12.00 News.

TV Ratings w/e April 5

UK TOP TWENTY (viewers, m)

1	Hart To Hart	(ITV)	16.90
2	Coronation St. (Wed.)	(Gra.)	16.85
3	Coronation St. (Mon.)	(Gra)	16.20
4	3-2-1	(Yorks)	15.70
5	Eurovision Song Contest	(BBC)	15.65
6	Crossroads (Tues.)	(ATV)	15.20
7	Crossroads (Wed.)	(ATV)	15.10
7	Sorry!	(BBC)	15.10
9	Holding The Fort	(LWT)	14.90
10	Open All Hours	(BBC)	14.35
11	Hi-De-Hi	(BBC)	14.15
12	League Cup Final Replay	(ITV)	13.75
13	Family Fortunes	(ATV)	13.60
14	Top Of The Pops	(BBC)	13.50
15	Nine O'Clock News (Thurs.)	(BBC)	12.90
16	Emmerdale Farm (Tue.)	(Yorks)	12.55
17	Nature Watch	(ATV)	12.45
18	West End Tales	(ATV)	12.40
19	Crossroads (Thur.)	(ATV)	12.20
19	Von Ryan's Express	(ITV)	12.00

Figures prepared by Audits of Great Britain for the Joint Industry Committee for Television Advertising Research (JICTAR).

CHESS SOLUTIONS

Solution to Position No. 366

1 Q-N5? QxN ch! and White resigned (2 KxQ, N-Q5 ch and NxQ).

Solution to Problem No. 366

1 Q-R3! If 1 ... Q-Q4; 2 Q-Q3, or if Q-Q3; 2 Q-K3, or if Q-K4; 2 Q-B3, or if Q-R6; 2 Q-QR8.

COLLECTING

Camels for tea

BY JANET MARSH

A playful design of reckless whimsicality

THE EIGHTEENTH century was perhaps the richest and most creative period in Britain's ceramic history; and of all the many varieties of ware produced the most refined — as well as the most inimitably native — was white salt-glazed stoneware.

While the bright, tin-glazed "delftware" had arrived in England by migration from the Middle East and Southern Europe, techniques of stoneware manufacture had originated in Germany: the hard brown pottery imported in vast quantities in the 17th and 18th century, often as containers for wine shipments, was popularly known as "Cologne" or "Rhenish" ware.

Stoneware is a clay body fired at such high temperature as to become partly vitrified. The glaze, with its characteristic and pleasing "orange-peel" texture is produced by *throwing common salt into* the kiln when it is at full heat. The fumes from the salt, acting upon the silica in the body form a silicate of glass or soda glass on the surface.

Throughout the 17th century there had been petitions for patents in the "mystery" of stoneware; but the first certain maker and patentee was John Dwight of Fulham, who was granted a patent in 1671, and whose great ceramic sculptures, now in the British Museum and the Victoria and Albert Museum are among the finest works of the potter's art.

Commercial production of saltglaze only began in Staffordshire in the early years of the 18th century. All the great pottery dynasties were at one time or another to be involved in its manufacture, though in very few cases is it possible to identify their individual work — unmarked as it practically always is.

It was John Astbury who is credited with introducing the Dorset and Devon clays which from about 1720 produced the whiteness of the body which encouraged the Staffordshire potters to vaunt their products as a worthy rival to the procelain of China. The brothers Aaron and Ralph Wood, progenitors of great potteries families, were reckoned outstanding cutters of the blocks from which saltglaze vessels and plates were moulded. Josiah Wedgwood himself made saltglaze ware.

The ware was hard, impervious and heat-resistant, could be potted very thin and fine, and modelled well, reproducing the contours of moulds very crisply. *Its only disadvantage* was a brittleness, which contributed eventually to its eclipse by the new lead-glazed creamware perfected by Wedgwood and his contemporaries in the last quarter of the 18th century.

Saltglaze nevertheless stayed in favour for well over half a century, during which it passed through the series of evolutionary fashions wihch give it much of its fascination for collectors. On early examples decoration, where it exists, is mostly provided by little pads of applied pipe clay, moulded and coloured, or by scratched designs, picked out by rubbing in cobalt or manganese stains. From the mid-century there was a fashion for ornamenting saltglaze with enamels, in a characteristic brilliant palette, dominated by rosy pinks and acid greens. The latest phase favoured elaborate but generally uncoloured moulded patterns, based on geometric, diaper or basketwork designs.

Apart from an early production of quaint modelled figures —toy-like horses, the well-loved "pew" groups, bell-skirted ladies and portrait busts in the classical manner, mostly ornamented with brown button eyes like snowmen—saltglaze was almost exclusively reserved for the production of useful wares.

In an age when the drinking of tea and coffee had ceremonial importance, saltglaze pots for both bevarages appear to have been produced in profusion, to judge from the survival rate. The characteristic charm of these is the playful, even reckless whimsicality of the designs.

A favourite teapot design was in the form of a little square *house, with windows on three* storeys and the royal arms over the door. The lid represented the tiled roof and chimney pot. Another popular pattern was in the form of a kneeling camel, carrying a square tower on its *back. To compound the eccen*tricity, in either case the spout might be in the form of a grotesque animal, the handle perhaps in the shape of a dolphin.

Saltglaze designs were occasionally commemorative of great events. Applique designs celebrate Vernon's victory at Portobello in 1730; and a well-known series of plates wishing "Success to the King of Prussia and His Forces" date from 1756 and Frederick the Great's convention with Britain in the Seven Years' War.

Generally 20th century collectors seem to have been less enthusiastic about saltglaze ware than their 19th century forebears, who preferred its delicacy to the more robust and folksy character we now tend to value in the later Staffordshire wares. Saltglaze, too, has until now been spared the sort of artificial price boom such as has currently hit English delftware and produced by a couple of rival (and most often transatalantic) collectors competing in the salerooms. Prices will be tested on April 28 when Sotheby's sell an extensive and interesting collection.

Year of the disabled

BY JAMES MACKAY

NOT SO long ago people who were crippled or otherwise disabled were treated as permanent invalids, entirely dependent on the charity of their friends and relatives. World wars and a host of lesser conflicts, epidemic poliomyelitis and endemic road carelessness, however, have led to a reappraisal of physical disability. Preventive medicine and techniques of rehabilitation have both made enormous strides within the past decade alone, but much remains to be done.

In a bid to combat attitudes *ranging from complacency to* outright apathy, the General Assembly of the United Nations has proclaimed 1981 as International Year of Disabled Persons. Announcing this, Kurt Waldheim, the UN general secretary, said that it aimed at focusing attention on the enjoyment by disabled persons of rights and opportunities to ensure their full participation and integration into society. "The effort to find solutions to the problems of disabled persons *should* be an integral part of national development strategies. There is thus a need to secure the participation of all member states, as well as relevant governmental and non-governmental organisations in the preparation and implementation of the programme."

The integration of the disabled person into the community is the theme of the stamps issued by the UN on March 6. Interlocking threads provided the symbolic motif for the SwFr 0.40 and 1.50 issued at the Geneva headquarters, while jigsaw pieces formed the subject of the 20c and 35c stamps issued in New York and the 4 and 6 schilling stamps issued in Vienna.

In the course of this year stamps will be issued by the vast majority of member countries. Those already issued or announced show a fairly even distribution between the purely symbolic and a more naturalistic treatment of the theme. The UN General Assembly, in its brief to member countries, outlined four aims which could be given philatelic treatment: the prevention of disability, increasing people's awareness of the needs and abilities of the disabled, generating more positive attitudes towards disabled people and helping them participate more in society.

Britain's contribution, a set of four stamps issued on March 25, reflect some of these aims. Designed by John Gibbs, they show a blind man with his guide dog (14p), hands spelling out the word "deaf" in sign language (18p), a disabled person in a wheelchair (22p) and a disabled artist painting by foot (25p). It is a pity that

the opportunity was not taken to have the series designed by handicapped artists painting or drawing by foot and mouth, but that should not be construed as criticism of an admirable set whose straightforward motifs should have the maximum impact.

West Germany was first off the mark, with a 60pf stamp on January 15. Designed by Arthur Loeffelhardt, it showed a group of people welcoming a cripple, symbolising the integration of the handicapped into the community. New Zealand's 25c stamp, issued on February 4, also adopted the symbolic approach. R. M. Conly's design showed a pair of hands enfolding the IYDP logo. Switzerland's 40c stamp, by Rolf Moesch, has a schematic group of five persons marked with grey zones representing the parts of the body most frequently afflicted. The aim of this stamp, issued on March 9, is to publicise the need for the acceptance of physically and mentally handicapped persons as equal partners.

Though not specifically commemorating IYDP, Austria issued a 6 schilling stamp last month in honour of the Third *European Regional Conference* on Rehabilitation, and showed a young man in a wheelchair operating a lathe. Sweden is issuing a pair of stamps in September, showing a blind boy touch-reading a globe. The design was engraved by Martin Moerck from an actual photograph taken by Nils-Johan Norenlind.

Kenya released a set of four stamps on February 10, multicolour-offset by Enschede from local artwork based on photographs. The 50c, with the caption "Disabled Enjoys Affection," showed a girl in a wheelchair embracing a young child. The 1s reproduced a photograph of President Moi presenting the Kenyan flag to the captain of the team taking part in the 6th Olympic Games for the Disabled, while the 3s stamp showed blind climbers on the summit of Mount Kenya in 1975. The 5s value showed an artist painting with his mouth.

Taiwan has beautifully combined symbolism and realism in a pair of multicoloured stamps, showing a candle illuminating a set of three cards bearing silhouettes of Chang Chung-jen and Chang Chung-i, male Siamese twins joined at the waist, with only one pair of legs between them. The twins were recently separated in a 14-hour operation at the National University Hospital and each boy has now been successfully fitted with an artificial limb from the hip. The light from the candle symbolises the enlightenment that love and concern for the disabled can bring to the world. The twins were literally adopted by the entire country when the news of their disability was first publicised.

Both the Netherlands Antilles and the mother country are issuing sets of four stamps with charity premiums in aid of handicapped children. The Antillean series appears this month and the Dutch series, with an accompanying miniature sheet, on November 10.

Penalty for not taking pains

GOLF

BEN WRIGHT

KEITH FERGUS is a blond Texan, a player of boundless promise and a golfer who is bound to win a lot of tournaments before he is finished with the game. So far he has played four years on the U.S. tour without breaking through, but in three of those years he played well enough to get into the top 60 and in two of them to earn over $100,000.

Talent, then, is not Fergus's problem. But genius, if that really is an infinite capacity for taking pains, might be. In the first round of the U.S. Masters at Augusta, Georgia, he went round in 70 shots which, barring accidents, would have been good enough for a share of second place, one stroke behind the leaders, Greg Norman, Johnny Miller, Lon Hinkle and Curtis Strange who were all on 69.

But the card that Fergus signed was for a 76, which made him far from certain to make the 36-hole cut, let alone win the championship.

His problem arose from not taking the kind of pains that most golfers of his experience do as second nature. He did not read the rules of the tournament. And as the rules of the Masters differ from those under which he normally plays, his error led to him being penalised six shots in that first round. In tournaments on the U.S. tour, and indeed in the UK, the pathways used by the spectators to cross the fairways are marked by white lines. In the U.S. a player whose shot lands on that pathway is allowed a free drop, except in the Masters. At Augusta, you play the ball where it lands.

Fergus, however, did not. At the eighth he consulted his playing partner, Bobby Walzel, and they decided jointly that he could drop clear, and then when the same thing happened at the 17th, Fergus naturally did it again.

This time he was seen by a rules official, to his horror he was told that he would be penalised three shots and then confessed that he had done the same thing at the eighth. "In that case," said the rules man, "it's gotta be six."

Fergus promptly bogied the 18th, stumbled into the little tent at the back of the green and eventually signed his card for 76. He was penalised one shot for lifting a ball in play and two more for playing a ball from an incorrect position. Twice. Fergus was upset. "White lines are ground under repair," he said. "We always play that way. It's in the rules. White lines mean ground under repair to me."

But this Pavlovian reaction helped not a jot. The local rule is even written on the back of the score card, so there was no way out for Fergus. As a way of destroying yourself it rivals going for a second run after nudging Mike Holding to Clive Lloyd in the covers — with Geoffrey Boycott as your partner.

Fergus, who once lost a final of the U.S. Amateur Championship to Fred Ridley, was not the only amateur or former amateur star to be in the news in the first round. Jim Holtgrieve, a Walker Cup player, was round in 70, the same mark as John Cook, who won the U.S. Amateur, and has since won a professional tournament.

But for European eyes the real encouragement lay in the performance of Greg Norman who has been such a force in British and continental tournaments in recent years. He has made some gratuitous comments about conditions in Europe whilst in the States—he dislikes our tournament courses, our practice ground conditons and our weather—but as a brash 26-year-old Aussie he can be forgiven for that. Indeed, there may even be some measure of agreement with him over the latter two complaints.

But he has settled to the American way of life rather as David Graham, on 70 after the first round, had done before him. He plans to play about 12 tournaments in America and has already finished seventh in the Heritage Classic and 15th at Doral.

Some measure of how much quicker the greens are at Augusta this year, after being reseeded with Bent Grass, can be gauged from Norman's last hole which he needed to par for an outright lead. His chip from the back of the green finished eight feet short and his par putt finished six feet past the hole. To his credit, he holed it.

Hal Sutton, the world's best amateur last year, also demonstrated the speed of the greens. In the course of taking eight at the second, Sutton had a three-foot downhill putt. He hit it 10 feet past and needed two more to hole out. He also needed 80 blows in total and will probably not play the last two rounds.

Johnny Miller, winner of two tournaments this year, is back in contention in a major championship for the first time since 1978. "For some reason," he said, "I wasn't nervous.

ENTERTAINMENT GUIDE

THEATRES

SHAFTESBURY. CC. Shaftesbury Ave., WC2. Box Office 836 6596 or 836 4255. Credit card bkgs. 839 7516. 839 4682. 839 4855 (9.30-6.0. Sats. 9.30-4.30). Group bookings only 01-839 3092. TOM CONTI and GEMMA CRAVEN THEY'RE PLAYING OUR SONG. Prices Stalls, Royal Circle £8.00, £6.50, £5.00. Mats only (best seats). Student standby Circle £3.50. £2.50. OAPs £4.00 (Wed. £4.00). Evgs. 8.0. Matinees Wed. 3.0, Saturdays 5.0 and 8.30.

TALK OF THE TOWN. 01-734 5051. Air conditioning. Credit cards LONDON'S GREAT NIGHT OUT. From 8 o'clock Dining and Dancing. THE DRIFTERS preceded at 9.30 by SUPER REVUE "BUBBLY." DANCING UNTIL 1 AM.

VAUDEVILLE. S. CC. 01-836 9988. EVENINGS & Good Fri. 7.45. Matinees Wed. 2.45. Sats. 4.00. DONALD SINDEN Dinah Sheridan. Gwen Watford. Polly Adams in PRESENT LAUGHTER by Noel Coward. Group sales Box Office 01-379 6061.

VICTORIA PALACE. CC. 01-838-4735-6. 01-834 1317. Evgs. 7.30. Wed. and Sat. 2.45. Group sales 01-379 6061. ANNIE.

WAREHOUSE Donmar Theatre. Earlham Street, Covent Garden. Box Office 836 6808. ROYAL SHAKESPEARE COMPANY. Ton't. Mon. 7.30 Premiere Production THE ACCRINGTON PALS by Peter Whelan. All seats £3.50. Students £2.00 in advance from Aldwych Box Office.

WHITEHALL. CC. Box Office Tel 01-930 6692-7765 Credit card sales 839 6975. Whitehall's latest farce: ANYONE FOR DENIS? by JOHN WELLS. Directed by DICK CLEMENT. Reduced price previews from April 28th. Opens May 7th.

WINDMILL. CC. 01-437 6312. Twice nightly Mon.-Sat. 7.0 and 9.0 pm. Sun. 6.0 and 8.0 pm. Paul Raymond presents RIP OFF! Hotter than ever for 1981. The erotic experience of the modern era. 5th great year.

WYNDHAM'S. S. 01-836 3028. Credit card bkgs. 379 6565. Mon.-Fri. 8. Sats. 6 and 8.45. Extra perfs. Good Friday-Easter Monday 8.00. Dario Fo's farce ACCIDENTAL DEATH OF AN ANARCHIST.

YOUNG VIC. 928 6363. Eves 7.30. Ton't Mon Stoppard's R & G ARE DEAD. Tue Pygmalion. All seats £2.30.

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Springtime in the City

FIRST a little secret history When the FT 30-share index first passed 400 in the mid-1960s, the then Prime Minister, Mr. Harold Wilson, invited the editor of this newspaper to celebrate the event over a whisky in Downing Street. This is fairly revealing about Mr. Wilson; the wish of his and later Labour governments to be loved by capital as well as labour helps to explain why the Labour Left has adopted opposition as a way of life with increasing militancy. However, it also tells us something about the stock market.

First, it provides some perspective on the reports of new all-time highs in the market. The 30-share index has advanced 40 per cent in a decade and a half. Prices in general have tended to advance by this proportion every two or three years, so even at its new "high" levels, the index goes a long way to reflect the collapse of manufacturing industry.

Silver linings

The temporary peak in the 1960s is also a reminder of the manic-depressive character of markets. Like the madman who bangs his head on the wall for the sheer delight of stopping, the market tends to be rather over-enthusiastic in its celebrations whenever it feels that things are not as black as they looked yesterday. At one moment it can see nothing but clouds, at the next, nothing but silver linings.

The investor with enough independence of mind to resist the herd-like movement of massed fund managers will therefore look with particular care at the arguments for optimism at times like this. There is something highly suspicious about arguments which favour investment in well-managed companies for growth and ill-managed ones for recovery at the same time, and will put up a case for any company which seems to have no hope of either as a take-over prospect. The facts are not usually so one-sided in their implications.

What, then, are the economic arguments for the sudden flowering of optimism this spring? They hardly rest on any sudden revival of faith in the Government's financial strategy. This is aimed to restore sound money, and the gilts market is at present showing a mood as sceptical as that of the House of Commons Treasury Committee.

Manufacturing

Indeed, this scepticism about Government policy helps to explain the equity boom, especially in property and financial services. The pension funds would rather line the Thames with offices from Fulham to the disused docks than place too much faith in Government paper. The white-collar trade unions, fearful of new technology, no doubt yearn to share this faith in ever-growing office employment.

However, it is the revival of manufacturing shares which is the most striking development of recent weeks, and here optimism seems to be based on a mixture of the inventory cycle and the labour shake-out. The argument seems to be that the Government has achieved a revolution in UK manufacturing, partly because it has so signally failed to attain its objectives in managing the money supply and the public sector.

The argument seems to go like this. The Government's ambitious targets combined with its failure to meet them has resulted in a regime of exaggeratedly high interest rates and an exaggerated rise in the exchange rate. The short-term effect has the appearance of disaster—a shake-out of stocks which has entailed an unprecedented cut in output, and a large shake-out of labour which continues.

However, now that the shake-out of stocks is nearing completion, we will suddenly be able to see the benefits of the shake-out of labour. Output will revive as the gap between sales and production is closed, and this will be achieved by higher productivity. Coupled with a moderate wage round, and a reduction in interest rates which is already 5 per cent since the peak last July, and will go further, profits will suddenly surge.

Incomes

Now there is enough truth in these arguments to make them plausible; but not enough, we would suggest, to make them convincing. First, it is not only sterling and interest rates which have reached exaggerated levels. So have consumer incomes and the current account surplus. A fall in consumer incomes is one consequence of a moderate wage round, and the fall in imports is likely to end with de-stocking. Add a fall in industrial investment, and it can be seen why many forecasters expect a flattening-out in output, not a recovery. If there is little recovery, there will be little gain in productivity or profit.

One final caution. A secondary and somewhat discreditable reason for reviving confidence is the spread of the British disease—a new world in which DM and dollar interest rates are far higher than ours, in which the German balance of payments looks like ours used to look, the Swedish consensus has collapsed and the Swiss riot in the streets. While there is some comfort in knowing that our problems are not simply the result of being British, none of this is good news in any sense; a world in crisis is not likely to be a prosperous world to trade in. So take spring optimism with a large seasoning of caution.

The cartel begins to crumble

By Michael Cassell

IT NOW seems likely that the building societies' controversial interest rate cartel is going to be swept away in the wave of competition which is now engulfing the savings and home loans industry.

The recommended interest rate system, which for more than 40 years has injected an element of stability into a market affecting millions of people while also coming under fire for encouraging inefficiency and creating mortgage queues, could soon break down as the battle for personal sector savings intensifies.

The cartel's demise will be openly welcomed by its many critics who believe that any such arrangement is unhealthy and wasteful. It will, at the same time, be mourned by those who see its disappearance as the final, painful wrench from the consensus approach which has characterised building society operations during their years of extraordinary growth.

The result of the revolution could be the elimination of mortgage waiting lists, more expensive home loans and a major shake-out of those societies which, without the protection of their colleagues, can no longer stand the pace.

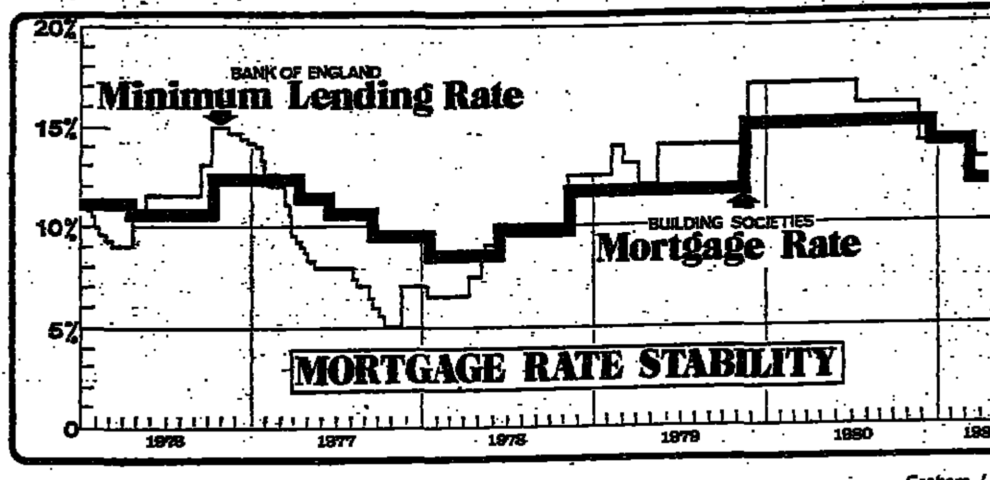
Perhaps the most obvious effect will be the disappearance of "the mortgage rate" which has provided an identifiable target for public and political sensitivities and regularly provoked much heartsearching among the societies as well as heartache in the corridors of Westminster.

For some time the societies have been watching the cracks in the cartel widen, but even so most were more than a little surprised last week to hear Mr. Leonard Williams, chairman of the Building Societies Association, announce its impending collapse.

Mr. Williams pointed out what all societies and most investors and borrowers already know, that the variety of interest rates offered and charged by the industry had mushroomed rapidly, undermining the relevance of the recommended interest rate system.

At present, about half of all new mortgages carry interest charges higher than the basic recommended 13 per cent rate, while the choice of investment schemes available has progressed to the point of consumer confusion.

> ‘Since the start of 1976, Minimum Lending Rate has changed 47 times while the recommended rate system has been altered on just 12 occasions. . . Without it, borrowers would have faced sharp increases in repayments over short periods as market pressures dictated.’



Graham Lever

The more adventurous societies which have shown scant regard for most of the recommended rates have been growing at the expense of others. Last year, for example, the Bradford and Bingley Building Society achieved an asset growth of 23 per cent against the industry's 17 per cent average by putting its full weight behind a package of attractive savings schemes offering high returns.

Behind Mr. Williams's comments was a belief, held by a number of influential societies, that the recommended rate system has become something of an albatross, creating problems which far outweigh its usefulness at a time when the ground rules for competition are being rewritten.

Mr. Williams's view are by no means universal, however, and some of the largest societies will be attempting to hold together a framework which has served them—if not always the general public — very well. But there is a growing feeling that the end of the cartel is not only inevitable but actually desirable and that it will be in the best interests of the societies if they encourage its orderly dissolution rather than wait for a spectacular breaking of the ranks.

Societies have in the past parted from the recommended interest rate path but have quickly returned to the fold, but few people imagine the next "uprising" will be so easily quashed in the climate which now exists.

With the cartel break-up already well advanced, it appears to be a relatively small technical jump to abandon altogether the principal of a centrally recommended rate on any type of loan or savings instrument.

It seems that if the societies do not agree among themselves to allow the cartel to fade away, then it will end with the sudden withdrawal of a large society. However much the others may wish to maintain unity, the defence of their own business would dictate that they followed suit.

The break-up could well come later this year if interest rates in the economy fall further and if the societies, in the face of continuing competition for funds, have to make a decision about the industry's interest rate structure. A major society may simply decide that, by virtue of its efficiency, it can afford a more attractive interest rate structure than the one being recommended and that it can no longer afford to lose potential business for the sake of protecting the remainder of the ranks.

It is competition which is sounding the death-knell for a cartel which has stood firm since 1939 and which has regularly found itself on the wrong end of attacks from such diverse sources as the old Prices and Incomes Board, the Wilson Committee on financial institutions and the governor of the Bank of England.

Efforts by some societies to raise their own market shares have at the same time raised the eyebrows of their more conservative colleagues but more recently all have come to recognise the threat from beyond the industry.

Competition comes from all directions. The Government, via National Savings, is determined to raise huge volumes of money (£3bn this financial year) from the personal sector to help meet its borrowing requirements and its ambitions have not so far been disappointed. The societies have rapidly come to understand both the sheer scale of the assault on their traditional business and the Government's ability to make up the rules.

The societies also face competition for mortgage business, with the emergence of the banks and savings banks on to the home loans scene. The amount of noise made about their entry has tended to obscure the relatively limited impact of their activities, though there is no doubt that they have been mopping up lucrative business at the top end of the mortgage market.

While it is still common for many societies to regard the banks' new-found interest as a temporary flight of fancy, some society executives now believe that, within a few years, the banks could well take and hold up to 30 per cent of mortgage business.

The ending of the cartel could provide societies with their best chance of fighting off the challenge but it will also bring profound changes in the way they operate.

Under the recommended interest rate system, the mortgage rate has invariably been well below the level required to satisfy the demand for home loans, with the result that queues have become a traditional part of the UK housing picture.

If the Building Societies Association stopped recommending interest rates then, in a very short space of time, it would be the market that would establish rates of interest for the societies. As a result, those interest rates would be higher in relation to other rates than they have been in the past. But demand for mortgages could be satisfied and rationing of funds would then be by price rather than via the traditional methods used to spread resources, such as savings requirements or, from time to time, income multiples.

House buyers would be able to borrow as much as they were willing and able to afford and some of the disruptions inflicted on the house building industry by the uneven flow of mortgage finance could be removed.

In many countries, mortgage rates are set at a market clearing level: but in nearly every case the rates are fixed and the borrower can identify the commitment from the time the loan is taken out.

Removal of the cartel would undoubtedly remove from borrowers some of the protection and stability which the present system extends to them. The recommended rate system has been remarkably successful in steering a middle course between extreme fluctuations in interest rates. On occasions borrowers would, without it, have faced sharp increases in repayments over short periods of time as market pressures dictated.

Since the start of 1976, Minimum Lending Rate has changed 47 times, while the recommended rate system has been altered on just 12 occasions.

The cartel's disappearance should also ease pressure on non-price competition, principally the proliferation of building society branches which has brought the industry a great deal of criticism.

The societies also have to consider the posibility that the arrival of a free-for-all would encourage the less efficient operations to take on the type of risk lending which their competitors would choose to ignore. Prudential controls in the building society are—remarkably—virtually non-existent, and these would almost certainly have to be tightened. At the same time, many inefficient societies would be forced into mergers.

The Government might welcome the end of a system which has produced a succession of crises revolving around the nation's 5m home owners, though any short-term increase in mortgage rates might be less enthusiastically received. It will not, however, require much insight to understand that if the home loans revolution comes, the Government itself will have played an instrumental role in bringing it about.

Private housing market gets back on its feet

SPRING is in the air and house prices are beginning to stir, according to the building societies and estate agents.

The evidence is still patchy and there are as many views about what lies ahead during the remainder of 1981 as there are houses for sale. But it seems that the long period of stagnating prices is at an end and that the private housing market is getting back on its feet.

This week, two of the largest building societies—the Abbey National and the Nationwide—said that sales activity was on the increase and mortgage demand had shown a marked upturn since the start of the year.

Two mortgage rate reductions in three months and the return of the traditional house hunting season seem certain to maintain the renewed bout of interest in the market but any substantial rise in prices seems a long way off.

The Nationwide pointed out that, despite the movement in prices, the annual rate of increase is only 5 per cent, the lowest for six years. Two years ago, average house prices rose by around 30 per cent in 12 months.

The backlog of houses for sale, combined with the large number of properties which have been held back off the market and which are now appearing in estate agents' windows, means there is a great deal of "mopping up" to be done before demand has a material impact on prices. Even then, the outlook for increases in disposable incomes suggests that increases will be fairly modest.

The pace might hot up, however, given another reduction in mortgage rates this summer, something which seems quite likely. The mediocre supply of new private housing coming onto the market could also represent another upwards pressure on prices. And the average price of a home in relation to earnings is now slightly below the historical norm.

The best bet would be an increase in average prices for the year in the region of 10 per cent, although forecasts have ranged up to 20 per cent —depending, no doubt, on the extent of the pundit's self-interest.

Letters to the Editor

Confusion

From the Deputy Director, Aims of Industry.

Sir,—I have just rediscovered the following comment by your economics correspondent, Peter Riddell, published on August 29, 1979: "Intellectual divisions about how the economy works within the British economics profession are much more marked in the UK than elsewhere in Europe, if not in the U.S."

How true that appears 19 months later in the light of the letter from 364 economists and the reactions the letter provoked. Could not the profession reduce some of the intellectual divisions as a prerequisite for reducing the number of "alternative policies" on offer?

Is not the long-term damage to the economy and to the hopes of most people inflicted by deflation (which is admittedly in the short-term rough, painful, and often unjust) likely to be less than that inflicted by continuing inflation? Agreement on this point might allow a new letter to be written, attracting even wider support and pointing out how a temporary fall in living standards can lay the foundations of future growth. The letter might usefully be addressed first to the TUC, with a copy to the civil service unions.

Malcolm Hoppé.
40, Doughty Street, WC1.

Currency

From Mr. D. Scott

Sir,—With reference to Mr. Robeson's letter (April 6) commenting on my earlier one of April 2, we do indeed use the forward exchange market to offset some of the effects of currency movements.

We sell forward as soon as we get an order, to safeguard against possible exchange losses, although, of course, by doing this we have no opportunity to make exchange profits. As we are an engineering company and not dealers in currency, we do not believe this matters too much.

We do not as a rule sell forward when we make quotations because this would lead us into major currency dealings, and would create a degree of exposure to foreign exchange movements, which would be quite excessive for the type of business we are.

I imagine that most medium sized engineering companies, such as ours, would tend to take the same view.

D. A. Scott.
Halford House, Halford, Nr. Shipston-on-Stour, Warwickshire.

Iron

From Mr. I. K. Burns

Sir,—I read with interest Roy Hodson's article (April 6) about the increase in the direct reduced iron trade. A developing business such as this surely presents potential for trade, employment and, dare I say it, profit.

I scanned the article eagerly to see how we in Britain were participating but alas the UK was noticeably absent from the list of countries which obviously have been sufficiently commercially alert to take advantage of this expanding opportunity. Why is this I wonder?

On the West Coast of Scotland there stand two idle giants — the UK's half-hearted attempt at entering the direct reduced iron trade. I refer of course to the DR plants at Hunterston built by the British Steel Corporation at a cost of close on £100m of taxpayers' money, completed some two or three years ago and from which not one tonne of material has been produced to date. Mr. Ian McGregor may well disagree with the original decision to build these plants, but with his much publicised and greatly encouraging attitude to commercial opportunities for our ailing state industry it is surprising that he has not been able to take advantage of an idle asset, which in other hands would undoubtedly by now have been turned into a commercially viable unit. Although not employing many, the operation of the direct reduction plant at Hunterston would create a welcome reversal of the trend of reducing job opportunities, it would enable BSC to trade in world markets and show how it can perform in a highly competitive situation, and it might even make a contribution towards Mr. McGregor's objective of financial viability.

I. K. Burns.
30, Greystone Gardens, Kenton, Middlesex.

Kettles

From Mr. I. C. Broadley.

Sir,—Martin Dickson's article of April 3 on peak electricity demand, enlarges on some points of my letter in your columns on December 29, 1980 on the design and efficiency of electric kettles.

We are invited to spare a thought for the grid controllers as we fill our kettles during the TV break. As we do this we should also consider that the 2,000-3,000 Watt metal kettle that we are likely to be holding is about half as efficient as it could reasonably be. Some efficient appliances with plastic bodies and means of accurate filling are becoming available but these are not yet typical of the average selection available in the high street. The lighting and water pumping load, even if its timing is unfortunate, is carried out at high efficiency with few wasteful aspects. The fuel and electrical supply industry who go to great pains to meet our requirements during the fateful few minutes of a TV break can hardly be happy to know that three-quarters of the fruits of their labours are abandoned in surplus boiling water in a hot metal kettle in a cold kitchen.

As a nation we waste between 1-2m tons of coal equivalent energy per year and tie up several power stations and possibly those with the highest running costs.

If we visibly flared this waste the profligate nature of the process would be as obvious as is the depiction in the North Sea. Instead the part-filled kettles cool off quietly in empty kitchens awaiting the next spell of wasteful operation. It seems that it is easier to tunnel through another mountain or run a cable to France than it is to enforce manufacturers to effect simple improvements to the thermodynamic performances of their products.

The stakes for a gas gathering project in the North Sea are comparable, but here happily the problem seems to be well understood even if the optimum plan for implementation may not yet be found.

We will do ourselves a good turn if we prepare and enforce compulsory appliance standards and allow the new and replacement market activities in such items to place the bulk of the energy savings on our laps over the next few years. The innovation in the product range will be gently stimulating to the economy. Persons slowly displaced from the present wasteful energy cycle will be available to accept positions in the appliance industry — export-orientated of course.

I. C. Broadley.
2 Laggary Park, Rhu, Helensburgh, Dunbartonshire.

Construction

From Mr. Michael J. Howell

Sir,—Further to Peter Riddell's list (March 30) of positive signs at which the Government is now looking, he includes "an upturn in construction work." Construction output data is only available on a quarterly basis, and the latest figures (fourth quarter, 1980) showed an annual rate of decline of over 12 per cent. Monthly new orders data, a leading indicator of future work, did however reveal an upturn in January of this year. When analysed more closely, the 2.8 per cent increase in volume (January on January) was made up of a 16.5 per cent fall in private sector new orders and a 29.5 per cent increase in public sector new orders. Perhaps Keynes is not dead after all?

Michael J. Howell
Business Economist, Marketing Division, Blue Circle Cement, Portland House, Stag Place, SW1.

Entrepreneurs

From Dr. J. Maxwell.

Sir,—Your article (April 4) on medical entrepreneurs and Wall Street does not sufficiently highlight why investors consider there is good profit to be had in managing American hospitals. They have probably received a hospital bill. Nowhere have I been more upset than by the practice in American hospitals. I hasten to add that I do not know who owns or runs the hospitals I have had to deal with in the following instances.

In cases of over-treatment and over charging (inevitable where insurance is concerned), I can quote several cases of 100 per cent third degree burns where the patients stood no chance of survival. Those patients were not only subjected to intensive operative care in the emergency room but one was given a further extensive operation before his survival time of a few hours expired. Another patient who stood no chance of survival was kept alive for 14 days in acute pain and subjected to further operations before he finally succumbed.

One intensive care unit I visited had the patient in full party mood surrounded by eight relatives and playing children. I was told by the doctor that he thought the patient might have had a coronary. They were just not sure. I'm sure he would have got one when he received his bill.

It pays hospitals to let their doctors earn excessive fees for excessive services because everything carries a profit. The medical and hospital fees for one sea tragedy dealing with eight bodies and eight surviving patients, not all of whom were seriously injured, came to $500,000.

While it is not possible to generalise on all hospitals and all doctors, one can generalise on the hospital bill. This is computerised and the last page usually contains sub divisions of the categories of service provided. All the items, however, are coded and unless the patient demands the code, he has no way of checking how much he has been charged for a particular item. There is no rhyme or reason for the mark up and while some items are reasonably priced, for example, room charge, blood, I have seen excessive charges for codeine tablets and bandages.

Medical earnings are high in America. I am reliably informed that a young doctor working hard in an emergency room can earn $100,000 a year. I have had only one American psychiatrist state that a patient had nothing wrong with him and no American psychiatrist has ever stated that their patient has been cured. Is it any wonder that Wall Street considers medicine a good investment?

Dr. John Maxwell,
Maxwell International Medical Advisory Services,
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Richard Lambert explains why Thos. W. Ward and Tunnel Holdings are locked in a takeover battle

Showdown in the cement kiln

MR. PETER FROST and Mr. Derek Birkin are in their 50s, and come from South Yorkshire. Both are chairmen and chief executives of public companies with big interests in the cement industry. Both of their companies have been pulled up by the bootstraps in recent years. The two men know each other well: Mr. Frost has been a non-executive director on Mr. Birkin's board for the last three years.

But although they may have a lot in common, there are no plans for a walking holiday together this summer. Far from it. For Mr. Frost's company, Thos. W. Ward, wants to take over Mr. Birkin's Tunnel Holdings in a deal that values the whole business at close on £100m. And Mr. Birkin, to put it mildly, thinks the idea stinks.

The argument is not just about price, the usual sticking point in a contested takeover. It is also about the two companies' whole approach to business, both in commercial and management terms.

"To my mind," said Mr. Frost when unveiling the full offer document on Thursday, "the industrial logic is impeccable."

Mr. Birkin thought differently. "I'm speechless," he said. When he had recovered sufficiently, he claimed that the bid document had greatly strengthened his board's view that there was no merit in the deal.

Ward argues that there are tremendous opportunities for growth in the UK in general, and in cement in particular. Although he admits that the outlook for consumption is none too bright at present, Mr. Frost believes that changing technology is transforming the industry. The overall market may at best be static, but it will increasingly be supplied by companies with fuel-efficient manufacturing processes.

Mr. Frost alleges that Tunnel's actions in recent years, when it has diversified its business both in terms of product and geography, show a lack of confidence in what remains its most important business—cement.

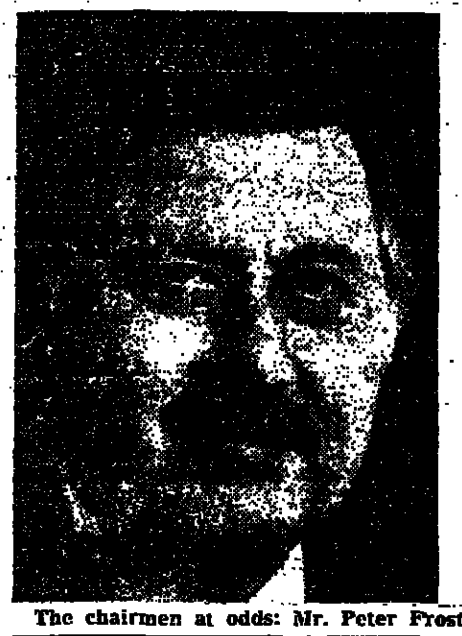
"Derek's got a rooted idea of cement as a cash cow," says Mr. Frost. "We are in danger of passing up our best opportunity, which is cement in the UK."

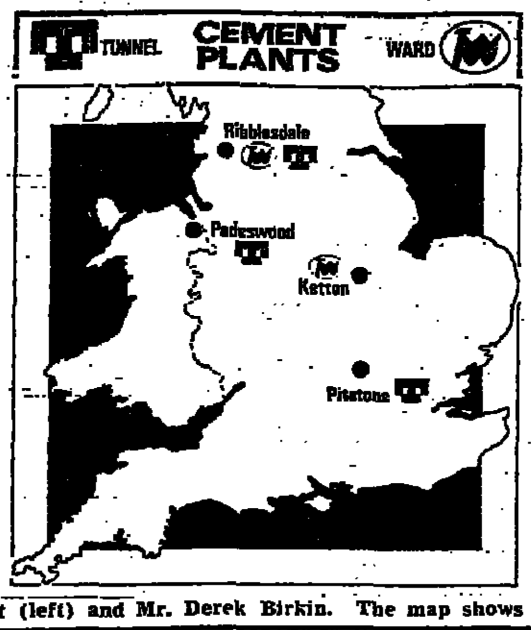
It is certainly true that Tunnel's share of the home market has contracted during the past decade, as a deliberate result of management policy. The company was founded—and for many years controlled—by F. L. Smidth, a Danish manufacturer of cement-making equipment, and the maximisation of profits never seemed to be the first objective of its business policy.

Smidth sold out in 1973, which was when Ward picked up its present holding of 29.9 per cent of Tunnel's voting rights. The two companies had already been associated through a jointly owned company, Ribblesdale Cement, a highly successful cement manufacturer in Lancashire which now has around 6 per cent of the UK market.

Tunnel's new management under Mr. Birkin, who had joined the group in the early 1970s, was immediately faced with some crunching decisions. The jump in fuel prices underlined in red ink the inefficiencies of its big cement works at West Thurrock on the Thames, which in parts dated back to before World War I.

The plant was closed, and rationalisation went a stage further in 1979 when Tunnel shut its older wet process kilns at Pitstone in Bedfordshire and converted the rest from gas to coal firing.





The chairmen at odds: Mr. Peter Frost (left) and Mr. Derek Birkin. The map shows their companies' key cement interests

As a result of these changes, Tunnel's share of the market fell from 14½ per cent to 8½ per cent. But its energy costs, once the highest in the industry, are now lower than average; its use of capacity has improved; and its deliveries are now made over a shorter distance, and therefore at a higher profit. The group's overall return on capital has doubled since 1975, to well over 20 per cent.

With cement on a much more profitable footing, Tunnel started to look for diversification. In 1976 it acquired worldwide rights to a waste disposal process called Sealosafe. Much more significantly, it spent £10½m in 1978 to buy the speciality chemical division of Barrow Hepburn, and it is just completing a £10m bid for Alcolac, which makes speciality chemicals in the U.S. and Canada.

"We want a broader base to give the company greater security and growth opportunities," says Mr. Birkin. "Cement will take its place along with everything else. If opportunities arise in cement we will take them, but we won't do things for their own sake."

The Barrow Hepburn deal brought the first clash with Ward. Ever since it had bought Tunnel shares, Ward was interested in a closer link, but at first it was fully occupied with problems on its own doorstep.

Years of rather haphazard expansion into the engineering sector had knocked its balance sheet sideways.

For 17 years on the trot, Ward suffered a negative cash flow apart from rights issues—which may be a record of some kind.

But from 1975, things started to change. Ward got a new chairman, and immediately set in train the sale or closure of a whole string of engineering activities which had been sucking in cash and making very little profits for years.

At the same time, its wholly owned cement company, Ketton, began to expand its share of the market — it has risen by two points to 6 per cent since 1975 — and improved its profits. Ward's balance sheet acquired a respectable look, and profits started to move ahead sharply, with construction (mainly cement) accounting for 70 per cent of the total in 1980.

Mr. Frost became chairman halfway through 1978, and one of the first things to land on his desk was Tunnel's plan to move into speciality chemicals. "I had no objection to them wanting to diversify," he recalls. "But I was bothered about this very big leap into the unknown."

Ward took its objections to the point of voting against the deal at a special meeting of Tunnel's shareholders. It got very little support, though, and the acquisition duly went ahead.

Although Ward now concedes that the move into chemicals has proved worth while, the incident soured relationships between the two companies. Since 1973, Ward had always had two directors on Tunnel's Board — but a retiring director was not replaced by Ward's candidate in 1979.

Other explanations are possible for the incompatibility between the two groups. Despite all the changes in recent years, Ward remains very much a Sheffield company, rooted in local tradition. It is the sort of business where you're a newcomer until you've been on the payroll for a good 10 years—Mr. Frost started work there at 16—and a great deal of power has always rested with the chairman. There are no Southern frills like non-executive directors.

Tunnel, by contrast, has a very distinguished list of non-executive directors for a company of its size. Its board includes Sir Richard Cave, chairman of Thorn-EMI, Sir Barrie Heath, former chairman of GKN, and banker Sir Charles Ball. The non-executives actually outnumber the full-timers.

In both Ward and Tunnel the chairman and the managing director wear the same hat—and are forceful personalities, too. But the boardroom atmosphere may be rather different.

In any event, there is a feeling of inevitability about this bid. Mr. Birkin says he would have been happier if Ward had agreed to various ideas for placing its shareholding with the big investing institutions. But as things are, "this clears the air one way or the other. We welcome it.

"Remember that Mr. Frost is sitting on our board," he adds. "He sees a company that is now cleaned up, with no surplus fat in it. I can only assume that what he sees, he likes."

Mr. Frost, naturally enough, explains the timing of his approach in a rather different way. "Two years ago we would have been stretched to make a bid," he admits. "Now that we have published our balance sheet for 1980, it is clear that we are strong enough.

"It would be wrong to pass up the benefits of a combination in cement. Tunnel were not willing to do it, so it is down to us."

In its offer document, Ward explains its strategy in some detail. At present, it says, the largest cement-using market in the country—London and the South-East—is not served to any great extent by either company. After a successful takeover, the idea would be to supply this area as much as possible with the output from Tunnel's Pitstone works, in Bedfordshire. The shortfall in Pitstone's catchment area would be made up from Ketton, 70 miles to the North-East, and its territory would in turn receive extra supplies from Tunnel's kilns in Padeswood, North Wales.

As a result, the enlarged group would "take profitable advantage of the 250,000 tonnes a year of unutilised cement production capacity within Ward and Tunnel." That, says Mr. Frost, would boost sales by £11m a year.

Tunnel has yet to make its full response, but its lines of defence are clear. The Home Counties are one of the most keenly contested parts of the market, and at a time when the industry as a whole is running at about 80 per cent of capacity, there is no shortage of supplies. Tunnel itself already has spare capacity at its Pitstone works.

However this takeover still has a long way to run, and Ward is strong enough to improve its terms if it thinks that is necessary. The early betting probably favours the defence, but the unanswered question in both camps is: "What happens if Ward fails?"

In those circumstances, there would be more than a chance that Ward would sell its stake — and its Tunnel shares could either be spread around the stock market or, perhaps, passed on to a more powerful contender. Tunnel could win the battle, and still lose the war.

Weekend Brief

Hugh Routledge

Two of the sources of Vitamin C, the humble potato and pricey pills.

The benefits—or otherwise of Vitamin C

EVERYONE knows that Vitamin C is good for you, indeed vital for wellbeing. Without it we would suffer the horrors of scurvy, with its ugly red blotches, bleeding gums, bad breath and crackling joints.

But weeks before any of these signs appear another, overlooked problem sets in, this in nearly all the early cases of incipient scurvy. The victim becomes tired and irritable, extremely langourous, having a marked aversion to all kinds of exercise.

Just a handful of historical accounts, dating back to 1658, have noted this problem, mostly in men undertaking long sea voyages. But it afflicts women too, as an observer found in an outbreak of scurvy in Exeter in 1847, probably caused by a shortage of potatoes.

More recently there has been some experimental evidence of fatigue in volunteers who deliberately deprive themselves of Vitamin C. This suggests that extreme lassitude sets in after about three months on an ascorbic acid-free diet. Most recently, says Dr. R. E. Hughes of the University of Wales Institute of Science and Technology, biochemists have accumulated evidence why. Lack of Vitamin C interferes with the efficiency of a fuel transport to both the heart and the skeletal muscles.

So can Vitamin C be used as a tonic, like Buck-you-Uppo, P. G. Woodhouse's famous specific? Makers of ascorbic acid would be delighted to have doctors prescribing the chemical generously to weary clients. The evidence, as presented by scientists at Hoffman-La Roche's Vitamin C symposium at Warwick University this week, suggests not. But it does suggest that the time honoured British standard, the "recommended daily amount" or RDA may be out of date.

The British RDA, as the dieticians call it, is 30 milligrammes per day. This is arrived at by multiplying by a safety factor of three the minimum daily intake believed necessary to keep scurvy at bay. But some scientists say that Vitamin C is now known to fulfil so many roles in the body—in fuel transport to muscles, in cerebral function, in resistance to infection and tumours, for instance—that an RDA based on scurvy is out of date.

For instance, Vitamin C has a dramatic role in inducing the body to absorb iron and make healthy blood. Dr. Leif Hallberg from the University of Goteborg told the symposium how he had laced pizzas with drops of ascorbic acid and shown that those who ate them fresh would pick up more than twice as much iron as those who ate the same pizzas untreated.

Why not just pop a pill of Vitamin C each morning? Hallberg was asked. It won't work, he said. Vitamin C taken early in the day would have no effect on food eaten at lunch time. He also warned how easily vitamin C could be destroyed in food. Just keeping it warm for a few hours could reduce it to very low levels. As another scientist remarked drily: "Institutional cooking is an excellent way of removing Vitmin C."

There are those who take Vitamin C almost by the handful, one of which is Linus Pauling, Nobel prize winner twice over. Pauling even claims that it will prolong active life by many years. Dr. Dietrich Hornig, a scientist from Basle, sees no harm in high doses and rejects reports that they can cause diarrhoea and even cancer. But others see no evidence that it does any good, either. They say that the body will simply excrete any surplus, to the benefit only of the manufacturer. Quite enough, in their view, is the Vitamin C content of two or three oranges a day.

But watch out in springtime. This is the time of the year when our Vitimin C levels are at their lowest. The reason, it seems, is that we tend to depend for it not on oranges but on potatoes. And old potatoes fall very low in Vitamin C.

Badminton thrives on sponsorship

OVER 200,000 people are expected to crowd into the Duke of Beaufort's beautiful park at Badminton in Gloucestershire today for the most exciting phase of the annual three-day equestrian event, the cross-country course. With 80 horses and riders competing for the Whitbread Trophy, many of the old favourites are making their bids for victory in one of the most popular of all the three-day equestrian competitions. Miss Lucinda Prior-Palmer is looking for her fifth Badminton victory (she won in 1973, 1976, 1977 and 1979) with two horses, Killaire and Mairangi Bay, while Captain Mark Phillips is looking for his fourth win (he gained the trophy in 1971, 1972 and 1974), with two horses, Persian Holiday and Lincoln.

The competitors have already completed their dressage phase, and tomorrow they have the final show-jumping to complete. But today is the most critical, with over 16 miles of roads, tracks and steeplechase, and the gruelling four miles or so of the cross-country course itself, with 33 obstacles of varying degrees of severity that will surely test the courage and stamina of horses and riders. Although the going on the fine old turf of the park is good, the cross-country course can still be expected to whittle down the field by anything up to one-third or so, and radically change the pecking order.

By tonight, the eventual winner should be much more plainly discernible, but nothing is certain until the end of the show-jumping tomorrow. In the past, there have been occasions when even the apparently most certain of winners failed at the last moment, by taking too long or taking the wrong course, or knocking down that one vital fence that piled up the penalty points.

One of the most significant features of this year's Badminton is that out of the field of 80 horses, 17 or nearly one-fifth are now sponsored by commercial organisations, a reflection of the soaring costs of keeping a highly bred three-day event horse. Lucinda Prior-Palmer is backed by Overseas Containers, Mark Phillips by Range Rover, Richard Meade by George Wimpey, while a newcomer to the sponsorship field is Miss Maureen Piggott's Barney II, which is now under the wings of Cathay Pacific Airways and is to be renamed Hong Kong Flier, although today the horse will be running under its old name. Other companies which have found it worthwhile in publicity terms to support three-day eventing (many others have done so in show-jumping for years) include Wadham Stringer, Preci-Spark and Planters Peanuts, and many others seem likely to follow suit in the year or two ahead.

Art for business's sake

A NEW measure of success for some artists may soon not be the number of paintings sold but how many have been rented to office boardrooms.

This week a new gallery opened at Wapping in London's East End which gives businessmen the choice of either buying or renting works of art.

Architects, designers and office planners can browse through a selection of work by nearly 250 artists at the Art for Offices gallery with an eye on not only brightening office walls but also making a sound business investment.

Mr. Peter Harris and his partners at the gallery have been supplying works of art to commerce and industry for about four years. It took two years to select a range of artists whose work would be suitable for offices. "In London alone we had more than 12,000 artists from whom to choose," he said.

The company looked at the new graduates of art schools as well as established artists such as David Thomas, Brigid Riley, and Barbara Hodgkins.

Prices of contemporary works range from £2,000 for an original oil painting called "Festival of Ships" by David Thomas to only £55 for "Magnolia" by Lorna Arnot. Older works by 18th and 19th Century painters such as Thomas Butterworth and Edward Moore range from nearly £6,000 to under £400.

In recent years there has been a trend away from the abstracts of the 1960s to more figurative work and landscapes. This is reflected in the gallery's choice of artists.

As well as running a profitable business, Mr. Harris sees one of Art for Offices' objectives as promoting art patronage by UK-based businesses. "Our counterparts in Western Europe and the U.S. are well ahead of Britain. In some cases there is a legal requirement to spend a certain percentage of the budget for a new building on art," he said.

Art for Offices will only deal with businesses and only accepts orders for more than 10 works. So far many of its clients are blue chip companies such as IBM and Dalgety Spillers. Whitbread Breweries recently bought about 100 paintings to adorn its new London headquarters. Between 60 and 70 were the work on Tim Armstrong, one of a new breed of abstract artists. Whitbread also commissioned special watercolours by an older artist, Ray Evans, which are now in the boardroom.

Mr. Harris says that offices need not necessarily buy the works outright. "Many companies have not included the purchase of art works in the current budget so they can rent the pictures with a view to buying from us in the next financial year," he said.

Also a company can choose to rent pictures, in the same way that it rents plants for window displays, and change the works as often as they like. IBM, for example, changes 35 pictures hanging in the main corridor of its research labs near Winchester every six months. Many of the scientists there have the chance to buy the works which are being replaced.

A selection of lithographs and oil paintings could cost as little as £10 a week to rent, although a work by an established artist such as Henry Moore will set you back about £40 a week.

A company may choose to patronise the work of only one artist and rent new works as they arrive. The plaintive cry of an aspiring painter or sculptor may well be then: "They may not hang me at the academy but they rent me out at Wapping."

Contributors:
David Fishlock
Michael Donne
Elaine Williams

Economic Diary

TODAY: Announcement by Council of Civil Service Unions on package of disruptive action for Easter weekend. Result of National Union of Public Employees branch voting on pay offer.

TOMORROW: Clearing banks' union executive meeting to discuss industrial action.

MONDAY: European Central Bankers begin two-day meeting in Basle. Finance Bill second reading, House of Commons. Index of industrial production (February provisional). Mr. Ilie Verdet, Romanian Prime Minister, begins four-day visit to UK—talks with Mrs. Margaret Thatcher. Railway unions in pay talks with British Rail. London Transport busmen's pay talks. Port of Bristol employers and unions meet on pay dispute. Labour Party statement on Greater London Council elections. Quebec elections for National Assembly. Federation of Conservation Students conference, Sheffield.

TUESDAY: Mrs. Margaret Thatcher leaves for India and Middle East. Transport Bill remaining stages in Commons. Publication of House of Commons Committee report on continuing costs of Concorde. Sir Peter Parker, British Rail Board chairman, lectures on "Challenge of Unemployment," Royal Institute of British Architects, London. Sir Harold Wilson, MP, launches War on Want Campaign against unemployment, Royal Scot Hotel, London.

WEDNESDAY: Monthly council meeting of Confederation of British Industry. Commons debates economic difficulties in the Northern Region. Basic rates of wages (March). Cyclical indicators for the UK economy (March). Index of industrial production for Wales (fourth quarter). British Rail annual report. Mr. Michael Heseltine, Environment Secretary, speaks at Birmingham Chamber of Commerce lunch, Albany Hotel, Birmingham. Mr. Enoch Powell, MP, lectures on "The Church of England," St. Lawrence Jewry-next-Guildhall, Gresham Street, London, EC2.

THURSDAY: UK banks' assets and liabilities and the money stock (mid-March). London dollar and sterling certificates of deposit (mid-March). Retail prices index (March). Tax and price index (March). Usable steel production (March). New construction orders (February) Commons rises for Easter recess until April 27.

Brown Boveri dives to £1m and no dividend

DESPITE AN increase in turnover from £86.4m to £89.4m, pre-tax profits of industrial instrument manufacturer. **Brown Boveri Kent (Holdings)** tumbled from £5.77m to £1.08m for 1980. No dividend is being paid for the year, against 2.2p net per share in 1979.

On a CCA basis, the group incurred a pre-tax loss of £2.8m (£2.2m profit).

First-half historical cost profits before tax had slumped from £3.06m to £0.54m. The directors say that in the absence of any firm indications of improving trends for the UK economy, it is difficult to be optimistic about the immediate future.

However, some easing of exchange rates, lower interest rates and reduced inflation will improve the company's ability to compete internationally. While trading conditions may continue to impact heavily on short-term prospects, they say there is every reason to believe that the necessary pre-requisites for success exist in terms of new products, international marketing capabilities and streamlined costs and facilities.

The pre-tax figure for the year was struck this time after £0.9m costs of redundancies and factory closures. Interest charges jumped from £1.98m to £3.24m and depreciation took £2.39m (£1.95m).

Tax charge was £1.4m, against £1.92m, resulting in a net loss of £319,000, compared with a £3.85m profit, before minorities of £276,000 (£300,000). Loss per 25p share was 1.1p (earnings 6.54p).

An exchange deficit—up from £1.11m to £1.63m—arising from the re-translation of the opening balance sheets of overseas subsidiaries, has been charged against reserves, while the re-consolidation of a Zimbabwe subsidiary as from January 1, 1980, has been added to reserves.

● comment

Shares of **Brown Boveri Kent** fell to 19.5p yesterday, giving a market capitalisation of £10.54m, after news of an after tax loss. Earnings in the UK have been knocked for six with margins squeezed, interest charges £1.1m higher and £0.9m of redundancy and relocation costs taken above the line. Exports, which traditionally accounted for one third of turnover, are down about £1m and some group companies are exporting at a loss. Higher earnings overseas have proved insufficient to keep the group in the black. The workforce is down from 6,102 to 5,845 and a further 250 UK jobs will go this year. Borrowings at year end were up to £17.7m against £14.9m and income gearing is now 48 per cent. UK remains bleak, but fatter margins are anticipated on exports and continued growth from its overseas subsidiaries. The shares stand at a discount to net asset value of 63 per cent.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
F. Austin (Leyton) int.	Nil	—	0.18	—	0.18
BHP	21‡	May 27	20	40	37
Brown Boveri Kent	Nil	—	1.2	Nil	2.2
Chepstow Racecourse	4	—	3	4	3
Fothergill and Harvey	5	—	5	7.75	7.75
Lyle Shipping	5.5	July 1	4.2	9.5	7.5
F. Miller (Textiles)	1.3	June 27	1.13*	2.2	1.95*
Montagu Boston Invest.	1.05	June 10	1.05	1.05	1.05
Supra Group	1.25	—	1.11*	2	1.78*

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ South African cents throughout.

Supra drops to £0.4m at year-end

PRE-TAX profits of Supra Group fell from £1.03m to £423,917 in the year to November 30, 1980. Turnover of this manufacturer and distributor of motor components, noise control products and paints, rose from £9.18m to £9.52m, with the UK's share being £8.18m compared with £7.63m.

The pre-tax figure was after substantially higher interest charges of £376,302 (£175,427). Tax was down from £244,580 to £70,723, and after an extraordinary item, less attributable tax, of £6,103, profit available was £359,297 compared with £781,507.

Stated earnings per 10p share are an adjusted 2.71p (6.39p), and the final dividend is effectively raised from 1.11p to 1.25p for a total of 2p (adjusted 1.78p). Dividends absorb £262,194 (£220,165).

The directors say the current economic climate gives extremely difficult conditions in which to forecast figures for the current year. Despite this, the group's companies are performing to budget.

F. Austin £1.2m loss at halfway

CONTINUING DEPRESSED demand, which resulted in short-time working, and rising costs particularly affecting overhead expenditure, have caused further losses at **F. Austin (Leyton)**, furniture manufacturer. Following a £0.81m loss in the second half of 1979-80, the company incurred a pre-tax deficit of £1.23m for the first six months to end December, 1980, compared with a profit of £0.14m last time.

However, stringent action has been taken and in the first quarter of this year sales have recovered to levels in excess of budget and full time working has been resumed. Also, new product ranges have been successfully launched.

As a result, the company is now operating close to break-even, with a positive and improving cash flow and continued improvement into profitability is expected during the next financial year.

No interim dividend is being recommended — last year's interim was 0.183p net per share but the final payment was omitted.

Sales for the half-year fell from £4.82m to £3.14m. With a rationalisation programme having cut total staff by 25 per cent there were redundancy costs this time of £145,100. After a tax credit of £484,000 (£72,000 charge) net loss was £895,400 (£68,700 profit).

The directors emphasise that despite the losses, the company's balance sheet remains strong and presents a sound basis for future trading. They say it is operating well within overdraft limits with creditors all current and paid up to date, buildings valued at less than costs of 10 years ago; and stocks being reduced according to plan.

ISSUE NEWS

Intasun on route to USM

Intasun Leisure Group, Britain's third largest tour operator, is to be launched on the Unlisted Securities Market. Dealings are expected to begin on April 24.

Prior to the launch Barclays Merchant Bank will offer for sale by tender 7.75m Intasun ordinary shares, 15 per cent of the equity. The minimum price, payable in full on application, is 86p. At this price Intasun is capitalised at £44.4m.

The Intasun group comprises Intasun Holidays, tour operators, and Air Europe, a British charter airline. Intasun offers holidays in about 20 resorts, mainly in Europe and the U.S.

Air Europe, formed in 1978, currently operates six Boeing 737s and a seventh will start operation in 1982. Intasun is the largest user of its fleet.

The group's turnover for the year to March 31, 1980, was about £48.7m (£40.2m) and pre-tax profit was £3m (£2.6m).

The Board estimates a turnover of £101m and pre-tax profits of £10.1m for 1980-81. Estimated earnings per share, on a fully taxed basis, would be 9.4p giving a p/e of 9.2 on the basis of the minimum tender price. There will be no dividend. Estimated net assets at year end were £13.6m, equivalent to 26.3p per share.

The earnings calculation is based on a policy of spreading aircraft finance costs over the period of the finance and lease agreement rather than the usual practice of deducting finance costs from the profit and loss account as incurred.

If this latter policy was adopted, estimates would put 1980-81 pre-tax profit about £2m lower at £8m and earnings per share would be around 7p, giving a fully-taxed p/e, on the basis of the minimum tender price, of 11.6. On this basis net assets would be reduced by £2m, giving net assets per share of 22.5p.

See Lex, Back Page

Fothergill acquisition and rights

Fothergill and Harvey, manufacturer of fluorocarbon-based products, fibre-reinforced composites and industrial textile fabrics, is acquiring **H. D. Symons**, a manufacturer of flexible electrical insulating products, for £4.9m in cash and shares.

To help finance the acquisition, F and H is raising £2.5m by way of a rights issue of 2.79m shares on the basis of one new ordinary 25p share at 95p for every three held on April 10.

F and H has also reported preliminary 1980 results showing pre-tax profit of £1.8m (£2m) on turnover of £18.8m (£17.7m). Stated earnings per share are 14.44p (19.74p). The final dividend is held at 5p making an unchanged 7.75p for the year.

The directors state that the sharp downturn in UK sales and the effect of the high value of sterling on export margins resulted in downturns in both sales and profit. The low level of activity continued during January but some improvement has been seen in the remainder of the first quarter. No profit or dividend forecast is offered.

Pre-tax profits of Symons were £1.24m in the year to April 25, 1980, but are expected to be lower in the current year. For the 35 weeks to December 27, profit was £679,000. Net tangible assets at December 27 were £5.2m including £1.5m cash and £0.7m for a revaluation of properties in August and September, 1980.

The consideration for Symons consists of £3.75m in cash and 1,027,208 F and H shares. Neither these shares nor those in the rights issue will rank for the final dividend for 1980.

The vendors of Symons have agreed not to dispose of the consideration shares during the 12 months from May 22 when completion is to take place. The deal and the rights issue are conditional upon approval of the necessary resolutions, including an increase in authorised share capital, at an F and H EGM on April 27.

Dealings in the new shares are to begin in nil paid form on April 28 and the final day for acceptances is May 18.

Jones Stroud (Holdings), which has a 21.7 per cent stake in F and H, is taking up its entitlement to the rights in full and the balance has been underwritten by Hambros Bank. Brokers to the issue are de Zoete and Bevan.

● comment

The recession has obscured Fothergill and Harvey's progress since its last cash call on shareholders in October, 1978 but the current rights issue is earmarked for a particularly attractive acquisition. H. D. Symons has a good growth record in a sector that is clearly complementary to F and H's existing business of supplying specialised products made from high performance materials and there is some overlap of the two companies' customer base. The enlarged group will start with net tangible assets of about £12.9m or 106p a share on the enlarged equity base and negligible net borrowings. Earnings of both companies are depressed and likely to remain so this year.

No profit or dividend forecast has been offered but the F and H shares gained 6p yesterday to 128p. The fully taxed p/e on F and H 1980 profit and the existing capital is about 9½ and the yield 12 per cent. Assuming profit of about £1m for Symons in calendar 1980, the rating for the combined group on the enlarged capital and an ex-rights price of 116p is about 10¼.

GT GLOBAL TRUST OVERSUBSCRIBED

The issue of 10m £1 shares in **GT Global Recovery Investment Trust** has been oversubscribed. As indicated in the prospectus, allotment in full will be made in connection with applications for 7.5m shares.

A total of 2,956 applications were received for 3,513,200 shares in connection with the remaining 2.5m. The basis of allotment is as follows: up to and including 500 shares—in full; between 600 and 1,000—80 per cent with a minimum of 550; between 1,100 and 5,000—70 per cent with a minimum of 850; over 5,000—50 per cent with a minimum of 3,500 and a maximum of 51,000.

Letters of allotment will be despatched on April 14 for dealings to begin the following day.

F. Miller improves to £2.3m

ON SALES little changed at £8.05m, against £7.97m, taxable profits of **F. Miller (Textiles)**, clothing manufacturer, have improved from £2.07m to £2.32m for the year ended February 13, 1981.

At halfway, profits had increased to £849,071 (£772,159) and the directors said they were confident that final results would be satisfactory.

They now explain that results were made possible by keeping a strict control of all costs, and by the high level of capital investment in modern and efficient plant and equipment.

The year's dividend is effectively raised to 2.2p (1.95p) net with a final of 1.3p.

Pre-tax figure included interest received of £473,695 compared with £358,376.

After tax of £1.24m against £1.06m net profits came through at £1.08m (£1.01m)—in accordance with SSAP 6 an adjustment is required to profits for the previous year. As a result the net figure is increased by £149,905.

Lyle Shipping buoyant

A NEAR doubling of pre-tax profits from £3.39m to £6.68m is reported by **Lyle Shipping** for 1980. The figures have thus borne out the prediction by the chairman at the interim stage when he forecast that results for the full year "will be highly satisfactory." Group turnover climbed from £13.75m to £21.58m. The final dividend is raised by 1.3p to 5.5p for a total up from 7.5p to 9.5p.

The chairman now says the current year has started well, and despite many uncertainties which include the seamen's strike and the continued strength of sterling, he is optimistic that shipping operations will again produce satisfactory results, while the offshore services should show a distinct improvement.

The pre-tax profit was after deducting interest charges of £1.89m (£1.8m) and adding investment income of £465,000 (nil). The profits were boosted by £2.1m (£810,000) resulting from the sale of ships. Profit on sale of investments dropped from £1.5m to £111,000.

There were exchange gains of £576,000 (losses £617,000). There was a loss provision of £301,000 (nil) resulting from the engineering subsidiary closure.

Tax was virtually unchanged at £152,000 (£158,000), and after adding minorities of £22,000 (£7,000), attributable profits came out at £6.54m (£3.24m). Operating profit was £5.6m (£3.6m) and this was after charging depreciation of £1.01m (£845,000).

Stated earnings per share soared from 53p to 101.9p.

A thorough examination of future prospects and of the possible courses of action left the board with no alternative to close Lyle Barclay. A full provision has been made in the accounts for 1980. Close of this subsidiary and the sale of its assets is now proceeding.

Hamersley faces lower 1981 iron ore sales

BY KENNETH MARSTON, MINING EDITOR

LOWER SALES and shipments of iron ore this year from the **Rio Tinto-Zinc** group's big **Hamersley Holdings** operation in Western Australia are forecast by the latter's chairman, Sir Russel Madigan. At yesterday's Melbourne meeting he added that profits will also be affected by higher costs. As a result, capital spending is to be cut back this year.

He added that iron ore price increases of 8.5 per cent, effective from April 1 last, negotiated with the Japanese steel mill customers were "way below the level required to compensate for cost escalation and the continuing revaluation of the Australian dollar." Iron ore, the basic ingredient of steel, is priced in U.S. dollars.

Sir Russel says that so far this year there has been no improvement in the short-term outlook for the world steel industry. The upturn in the Japanese steel industry is expected to lag behind the general trend; little optimism exists for an early recovery in Europe; and the U.S. steel industry is still operating at only 8 0per cent of capacity.

However, he does permit himself confidence for the future: "Steel is basic to industrial development and the rise in living standards that go with it. It is inevitable that in the years ahead the developing nations will close the gap in living standards — all it requires is new confidence in the developed nations to resume capital investment in productive assets."

Meanwhile, the share for share offer by **CRA** for the 17.68 per cent of Hamersley which it does not always own has been judged fair and adequate by the independent advisers, Australian stockbrokers J. B. Were and Son. Hamersley directors recommend acceptance of the offer which will have the effect of reducing the RTZ stake in CRA from 61.1 per cent to 55.2 per cent.

Argyll Foods receives summonses

The board of **Argyll Foods** has received summonses issued on the information of the Department of Trade alleging that, having regard to the inclusion of Morgan Edwards in the audited accounts of Argyll for the year ended December 31 1979, the accounts of Argyll did not give a true and fair view of the state of affairs of Argyll and its subsidiaries at that date in accordance with sections 150 and 152 of the Companies Act, 1948.

The audited consolidated balance sheet of Argyll at December 31, 1979 did include the balance sheet of Morgan Edwards at that date. The trading results of Morgan Edwards, however, were not included.

This accounting treatment for the acquisition of Morgan Edwards was fully explained in the notes to the Argyll accounts and supported by the auditors of Argyll, Arthur Andersen and Co, who referred to the treatment in their report and expressed an unqualified opinion that the accounts gave a true and fair view.

BIDS AND DEALS

Crown House lifts offer for Denbyware by 55%

Crown House, which is engaged in a bid battle for **Denbyware**, yesterday boosted its offer for the Derby-based tableware and ceramics group by 55 per cent from 80p to 124p per share cash. But this offer which values the company at £5.3m again may not be enough to win the day. The shares jumped 39p to 125p yesterday.

Denbyware has already roundly rejected the original offer as "impudent and derisory." This offer attracted only minimal acceptance from shareholders.

The company's main defence against this bid may be yet to come. It has already revealed net asset value of 175p per share but has so far published no profit forecast.

The directors of Denbyware were not available for comment yesterday but Minster Trust, the group's advisers, said that a meeting would be held very soon with the directors and a statement was expected to be issued by next weekend.

Crown House—which has electrical and mechanical engineering and glassware interests — already has a 29.98 per cent stake in the company. Crown House has said that it is making its bid now to "protect its investment from further deterioration." Crown paid 105p for its original stake of 13 per cent and 135p when it was increased to its present level in August, 1979.

Inchcape £12m deal with LBI

Inchcape, the international trading company, is buying a group of South American distribution companies from **Lloyds Bank International** for £11.8m.

The companies being purchased—Inchcape will allot LBI 2.78m of its shares to pay for them—are mainly distributors of agricultural and industrial machinery, motor vehicles, hardware, and general merchandise. Some also operate as shipping and insurance agents.

Inchcape said the purchase of the companies in Colombia, Ecuador, Peru and Chile will give it a firm foothold on the west coast of South America.

From here, it said, it will be able to take advantage of inter-regional and intra-American trades. It will also be well placed to take part in trade across the Pacific Basin.

Inchcape said the book value of the net assets being acquired was around £6.8m at June 30, last year. Net profits attributable to the assets for the year to that date were £2.6m before tax and £1.8m after tax.

Baring Brothers, merchant bank advisers to Inchcape, have arranged to place the new shares on completion of the deal. Dealings should start on April 16. The deal will take effect from July 1.

The companies being acquired comprise:

- The Tracey Group in Colombia, wholesaling and retailing industrial hardware, machinery and industrial tools, and distributing vehicles.
- The Quito Motors Group, a Ford franchise holder in Ecuador.
- The S.A. Comercial Anglo Ecuatoriana Group, also in Ecuador, specialising in insurance and shipping agency operations, and with vehicle assembly and distribution interests.
- The Milne Group in Peru, distributing commercial vehicles and trailers, bus bodies, and agricultural and industrial equipment, as well as acting as shipping agents.
- Companies in Chile selling industrial hardware, firefighting equipment, vehicle electrical parts and abrasives.

All of the companies will be wholly owned by Inchcape except for Quito Motors, in which Ecuadorian shareholders will keep minority interests and one of the Chilean companies, which will be 50 per cent owned.

Brokers to the share placing are Hoare Govett and Cazenove.

£3.6m cash bid for Wrighton

A PRIVATE company manufacturing double glazing and kitchen fu niture has made an agreed £3.56m cash offer for loss making F. Wrighton.

Greenbrook Securities is offering 77½p in cash for each Wrighton ordinary share, and 50p for each preference share.

Wrighton, a kitchen furniture maker, suspended its shares on Thursday at 64p following an announcement six weeks ago that "discussions were taking place which may lead to an offer." Prior to the announcement, Wrighton's shares were standing at 42p.

Wrighton's directors and their financial advisors, County Bank, consider that the offer is "fair and reasonable." The directors will be accepting in respect of their own holdings amounting to 61.7 per cent of the ordinary capital and 4.1 per cent of the preference.

Shareholders of Wrighton who accept the ordinary bid will be offered an unsecured loan stock in Greenbrook guaranteed by Barclays Merchant Bank, as an alternative to cash.

Wrighton estimates that net tangible assets as at March 31, 1981 were not less than £4.75m after the losses and extraordinary items for the year just ended.

The last published accounts, dated March 1980, showed an asset value of £6.77m.

Since then the company has reported half-time figures showing a loss of £180,000 against a profit of £60,000.

Mr. Keith Wrighton, chairman, will be invited to remain a director but Mr. John Wrighton, managing director, Mr. Alan Wrighton and Mr. Sidney Mair will resign from the board. Greenbrook intends to appoint one or more of its directors to the Wrighton board.

Greenbrook intends to maintain and develop the business of Wrighton and Elizabeth Ann, and to operate both companies as separate businesses.

Gasco's 50p for St. Piran

Gasco Investments (Netherlands) has launched a 50p per share cash bid for **Saint Piran**, the controversial tin mining and property group, whose shares were suspended at 65p in May, 1980.

Last April, the City Takeover Panel ruled that Gasco (Mr. Jim Raper's master company) had acted together with three foreign-based companies in building up shareholdings totalling 37 per cent in Piran and should make a full bid at 85p per share.

In an interim report in December on the affairs of the company, Department of Trade inspectors said that Mr. Raper, a former chairman of Piran, had exercised a controlling influence over the group's affairs since 1974. The directors are continuing their investigation of the company under a section of the Companies Act which gives them powers to look at every aspect of the company's affairs.

The DOT investigation followed several years of controversy over the true ownership of the company's shares.

The Takeover Panel said yesterday thatdespite the bid, Piran remains in breach of the Takeover Code. Mr. Douglas Allen, a director of Piran said that the independent directors will be taking advice on the bid and will be making a statement.

Piran announced yesterday that Financial Network Guaranty, a licensed dealer in securities, had informed the board that it would be making a cash offer of 50p per share on behalf of Gasco for all the shares in Piran not owned by Gasco. At this price the Piran capital is valued at £5.83m and the shares not owned by Gasco at £3.5m.

The statement says that Gasco is the registered owner of 29.57 per cent of the capital. Gasco has agreed to purchase a further 10.24 per cent stake at 50p per share so when the offer is made next Thursday Gasco's stake in Piran will amount to 39.81 per cent.

BERISFORD/BSC

At the request of the Takeover Panel, **S. and W. Berisford** has announced that it will not meet to consider whether or not to make any offer for **British Sugar Corporation**) until the undertakings under Section 88 of the Fair Trading Act, as requested by the Trade Secretary, have been given and accepted, and until discussions have been held with the Government in respect of their shareholdings.

DALGETY/DOW

Dow Chemical is discussing with **Dalgety** the possible purchase from the company, of the business of Murphy Chemical. A further announcement will be made in due course.

Dow intends to continue and develop Murphy's business, it is stated.

LAGANVALE ESTATE

Laganvale Estate says that the circular relating to the proposed acquisition of **Strongmead** has been posted to shareholders.

Consideration for the acquisition, conditional on shareholders' approval, has been certified at £1.29m to be satisfied by the issue of 4.3m ordinary shares in the company.

Savoy case restarts Tuesday

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

THE High Court battle over control of the Savoy Hotel group will continue next week.

Yesterday the hearing was adjourned until Tuesday because the judge, Mr. Justice Nourse, will be sitting as Companies Court judge on Monday and dealing with a long list of winding-up petitions.

Trusthouse Forte is applying under Section 206 of the Companies Act for an order that separate meetings of Savoy's "A" and "B" shareholders be convened.

The application, which is regarded as crucial to THF's takeover move, is being bitterly contested by Savoy. It has described the plan to call separate meetings as "fundamentally objectionable."

The private hearing is thought likely to continue into Wednesday. The judge may then decide he needs time to think about it before delivering his judgment, so the outcome may not be known until after Easter.

Because of the significance of the case judgment may be given in open court.

Even if it is not, the arguments of the two sides are almost certain to be ventilated in public soon afterwards, for it can hardly be doubted that the loser at this stage will take the case to the Court of Appeal, whose proceedings are almost invariably in public.

The law vacation begins on Thursday and whether or not any appeal could be brought on before the new term starts on April 28 would depend on the availability of appeal judges and on the parties' ability to convince the court that it was a matter of sufficient urgency to merit a vacation sitting.

The sensitivity of the case is reflected in the attitudes of the parties and their lawyers towards Press enquiries. Even a question about the weather would be likely to be met with "no comment."

Results due next week

Northern Engineering and **Hawker Siddeley**, which have been outstanding performers in an otherwise badly hit engineering sector in the past year, are publishing preliminary results on Tuesday and Wednesday respectively. Hawker indicated at the interim stage that it hoped in the second half to match first half profits of £57.2m pre-tax but lengthy strikes in Canada and the severity of the UK recession may have put that goal just out of reach. Profits in the full year should be about £112m compared to £107.8m last year. A cautious statement is expected and the final dividend is likely to be maintained at 5p.

A consensus has formed among analysts that the 1980 pre-tax profits of NEI were about £25m compared with £18.1m in 1979. The recent North American investments in the electronics field are believed to have made good progress while the mechanical engineering side is holding its own in the UK. However, the recovery of Reyrolle's switchgear business does not seem to have come as quickly as hoped. The interim dividend was held at 1.25p and the final will probably be maintained at 2.5p.

Attention next Wednesday, when **Burmah Oil** unveils its preliminary figures, will be focused on whether the group intends to follow Tricentrol's example and demerge, hiving off its industrial and commercial activities into a separate public company. As for the results, pre-tax profits for the year 1980 should be marginally higher than the previous £54.4m, thanks to increased revenue from North Sea operations. But things will look less happy at the net income level as earnings from its interest in the Thistle oilfield will have led to a hefty increase in the group's tax bill. As a result net income may have dropped by nearly a third to around £20m as against £31.3m.

Glaxo's interim figures, due on Monday, should show a useful increase in profit, perhaps to £35m from £30.3m last time. Price rises were applied across most of the product range in early 1980 but underlying volume growth is believed to have remained quite good. Two relatively new products, Trandate and Zinacef, should have made good contributions. The outlook for the remainder of the year should be brighter because of the easing of sterling. The recent approval of the anti-asthmatic drug, Ventolin, by U.S. authorities is also a positive factor. The interim dividend may be raised to 4p from 3.5p.

After earning virtually nothing in the second half of last year **Burton Group** looks set to return to a more normal pattern of profitability. Interim figures (Monday) should be in the region of £7.5m to £8.5m pre-tax for the six months to March 1, 1981 as against £9.3m last year. The main factor dragging down profits appears to have been poor sales of womenswear, which in contrast were rather buoyant at this stage in the previous year. For the full year analysts are going for between £13m and £15m indicating some recovery but still well below 1979's earnings. The market is also hoping for further news on Burton's attempt to sell its loss-making French operation.

The spotlight falls on Scottish banks again with Tuesday's preliminary results from **Bank of Scotland**. These are expected to show a marginal improvement on last year in line with the interim statement. Shareholders should also be rewarded with a small dividend hike. Most analysts are going for pre-tax profits of around £42m for the year ended February 28, 1981 as against £40.6m in the comparable period. Longer term the bank is nicely placed to benefit from the fall in interest rates as it has a sizeable HP business. The shares have roared ahead recently, partly in response to the rival bids being showered on Royal Bank of Scotland, and partly on rumours that Barclays, which holds 35 per cent of its equity, may go for a controlling stake.

Other results due next week include preliminary figures from Rugby Portland Cement (Monday), Rio Tinto-Zinc, Ready Mixed Concrete, Savoy Hotel, Croda International, Associated Biscuit and Hambro Life Assurance (all Tuesday), and Pearl Assurance and Sun Life Assurance (Wednesday). Smiths Industries is reporting interim figures on Tuesday.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Aberthaw and Bristol Channel Portland Cement	Tuesday	2.9245	5.5136	2.5
Air Call	Wednesday	60.0	—	—
Associated Biscuit Manufacturers	Tuesday	2.0	2.44	2.0
Astbury and Madeley (Holdings)	*Wednesday*	*0.667*	2.5853	*1.0*
Bambers Stores	Tuesday	0.56667	0.76667	0.65
Bank of Scotland	Tuesday	7.25	7.75	8.0
Barrow Hepburn Group	Wednesday	0.8	1.4	0.8
Benford Concrete Machinery	Tuesday	0.875	1.75	0.875
Beradin Rubber Estates	Monday	0.35	0.4	0.35
Berwick Timpo	Wednesday	2.0	4.0	2.0
Bramall (C. D.)	Tuesday	2.05	3.2078	2.05
Bristol Stadium	Wednesday	—	0.5	—
Burmah Oil	Wednesday	1.5	5.0	1.5
Cory (Horace)	Tuesday	0.6	0.7	0.6
Croda International	Tuesday	1.5	1.6	1.5
Dewhirst (I. J.) Holdings	Wednesday	0.375	0.3375	0.45
Edinburgh Investment Trust	Monday	0.73333	0.93333	0.84
Erith	Monday	1.25	2.5	1.25
Expanded Metal	Tuesday	2.0	2.5	2.0
Finlay Packaging	Wednesday	0.4	1.1	0.4
General Scottish Trust	Thursday	1.0	1.5	1.0
Hallam Sleigh and Cheston	Tuesday	—	—	—
Hambro Life Assurance	Tuesday	1.5	5.7	3.0
Hawker-Siddeley Group	Wednesday	3.0	5.0	3.0
Helene of London	*Tuesday*	*0.37*	1.11	*0.37*
Hewden-Stuart Plant	Thursday	0.45833	0.79167	0.475
Home Charm	Tuesday	0.7	1.6	0.7
Hyman (I. and J.)	Tuesday	0.44†	0.8364	0.4138
London and Holyrood Trust	Thursday	2.0‡	3.5	2.0
London and Provincial Trust	Thursday	2.0‡	3.2	2.0
Lovell (G. F.)	Wednesday	3.0	5.0	3.0
Lunuva (Ceylon) Tea and Rubber Ests.	Tuesday	5.0	12.0	6.0
Martin (Albert)	Wednesday	1.8	2.5	—
Northern Engineering Industries	Tuesday	1.25	2.5	1.25
Pearl Assurance	Wednesday	5.0	12.0	7.0
Provident Life Association of London	Tuesday	4.6	5.6	5.2
Ready Mixed Concrete	Tuesday	3.35	4.8	3.7
Rio Tinto Zinc Corporation	Tuesday	4.5	10.5	5.5
Rowan and Boden	Thursday	0.9	1.31	1.0
Rugby Portland Cement	Monday	2.2	2.5	2.0
Savoy Hotel	Tuesday	—	1.1497¶	—
Savoy Hotel	Tuesday	—	0.5745‖	—
Scottish Mortgage and Trust	Thursday	1.8	3.4	2.5
Sheffield Brick Group	*Thursday*	*0.75*	1.0	*0.75*
Securities Trust of Scotland	Wednesday	1.9	2.9	1.9
Solicitors Law Stationery Society	Thursday	0.75	0.724	—
United Carriers	Wednesday	0.75	1.75	1.0
INTERIM DIVIDENDS				
Adwest Group	Wednesday	2.1	5.33	
British Empire Securities & Gen. Trust	Monday	0.2	0.65	
Burton Group	Monday	2.0	3.5	
Cedar Investment Trust	Tuesday	1.5	2.65	
Equity Income Trust	Tuesday	5.0	11.0	
Glaxo Holdings	Monday	3.5	6.0	
Ingall Industries	Tuesday	0.74	1.53	
Kalamazoo	Wednesday	1.25	2.5	
Kent (M. P.)	Thursday	0.5	1.4	
Land Investors	Tuesday	0.2	0.8	
Linread	Wednesday	1.0	1.0	
Martonair International	Tuesday	1.85	5.65	
Smiths Industries	Tuesday	3.7	8.3	
Sun Life Assurance Society	Wednesday	3.75	3.75	
Wade Potteries	Wednesday	0.5	1.5	
PRELIMINARY FIGURES				
Hallam Group of Nottingham	Tuesday			
London & Continental Advertising Hldgs	Monday			
Mersey Docks and Harbour	Monday			
INTERIM FIGURES				
Audio Fidelity	Wednesday			
Yorkgreen Investments	Monday			

* Dividends shown net pence per share and adjusted for any intervening scrip issue. † Includes a compensating dividend of 0.0264p to allow for the change in the tax rate. ‡ Includes non-recurring dividend of 0.4p. ¶ On "A" ordinary shares. ‖ On "B" ordinary shares.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Hongkong and Shanghai Banking announced the biggest-ever takeover bid in the UK when it launched a rival £500m offer for the **Royal Bank of Scotland.** The bid is worth about 50 per cent more than the agreed offer from **Standard and Chartered** and is on the basis of eight HKS shares for every five Royal Bank. The bid values Royal Bank at approximately 212p per share, but market doubts about the success of the deal is reflected in Royal Bank's share trading around 170p.

Hawley Leisure and **Provincial** are to merge to form an industrial holding company. The merger is to be effected by a bid by Hawley on a one-for-one basis, though Hawley is to undergo a capital reorganisation which will alter the actual exchange terms. Hawley intends to consolidate five of its 5p ordinary shares into one new share of 25p nominal and then make a *two-for-one scrip issue. Thus the actual bid terms will* be three new Hawley shares for five Provincial.

Eastern Produce and **Lawrie Plantations** launched a joint bid for **Ruo Estates.** Eastern increased its stake in Ruo to nearly 43 per cent on Monday with the purchase, at 58p per share, of a 10.36 per cent stake. Under Takeover Panel rules, this price is now being offered to other shareholders. The bid was apparently made to prevent any third party from acquiring a sizeable stake in Ruo.

Hodder and Stoughton, the publisher, made a major move into paperback book publishing with the £2.4m purchase of **New English Library** from **Times Mirror Company,** the U.S. newspaper publishers.

Anglo Metropolitan is involved in talks with **First Pennsylvania Mortgage Trust,** a U.S. property concern, which could lead to an offer for Anglo, while Jersey-based **Le Vallonet** announced that discussions are taking place with an unnamed party which could lead to a bid for the company.

Mr. Graham Ferguson Lacy terminated bid discussions between **NCC Energy,** of which he owns 42 per cent, and **United Nuclear Corporation,** the U.S. uranium extraction group. Discussions, which might lead to closer ties between NCC and Simplicity Pattern of the U.S., have been accelerated.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Avenue Close¶¶	88‡§§	85	78	10.77	Peachey Property	—
Bond Street	44*	43	34††	1.19	Auchinleck	—
Bond Street	30§§	43	26	0.59	Grovebell	—
Bristol Evening Post	190*§	203	105	5.92	Associated Newspaper	—
Carlton Inds.	278*	275	255	74.65	Hwkr. Sidly.	16/4
Central Man. and Trad.¶¶	56§§	53	55	14.80	LK Inds.	—
Centreway	132§§	114	123	1.63	Centreway Trust	—
Denbyware	124§*	125	74	3.73	Crown House	—
Eva Inds.	40§*	44	37	2.73	Anglo Indonesian	13/4
Hwthrn. Leslie¶¶	147§*	145	107	2.31	Starwest	—
Inveresk	35*	34	35	7.12	Georgia-Pacific	—
Lloyds & Scottish	200§*	197	185	144.21	Lloyds Bank	—
London and European	50½§§	45	44††	0.60	Bardsey	—
Negretti and Zambra¶¶	25*	30	30½	0.80	Western Scientific	—
Provincial	59	56	57½	19.24	Hawley Leis	—
Robrtsn. Foods¶¶	176	169	97	20.51	Avana	—
Royal Bank of Scotland	214½	166	168	483.05	HK and Shanghai Bank	—
Royal Bank of Scotland	138½§§	166	96††	311.29	Stand. Chartered Bank	—
Ruo Estates	58§*	60	58	0.79	E. Produce and Lawrie Plants.	—
St. Piran	50§*	65††	65††	4.11	Gasco Invs.	—
Savoy "A"	197	200	125	54.54	Trusthouse	—
Savoy "B"	£11¾	950	775	15.35	Trusthouse	—
Tunnel "B"	421§§	390	320	76.83	Ward (T. W.)	—
Warner Hols.	148	140	64††	7.10	Grand Met.	—
Warner Hols. 'A'	119	110	55††	4.18	Grand Met.	—
Wrighton	77½*	75	70	3.49	Greenbrook	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on 10/4/81. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional.

Scrip Issues

S. Jerome—One for five.
Southampton, Isle of Wight and South of England Royal Mail Steam Packet—One for one.
Feb International—One new "A" share for every two ordinary or two "A".

Offers for sale, placings and introductions

Consultants (Computer and Financial)—Coming to the Unlisted Securities Market by way of a placing of 290,000 new ordinary 10p shares at 89p per share.
Dorset Resources—Placing between 10m-20m share units at C$1 each.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Airsprung	Dec.	549	(807)	6.3	(11.1)	3.3	(4.7)
Aquascutum	Jan.	921	(1,900)	3.4	(6.1)	2.05	(2.05)
Armitage Bros.	Dec.	426	(611)	86.0	(153.0)	24.5	(24.5)
Ash & Lacy	Jan.	2,640	(2,590)	56.4	(43.7)	12.5	(11.5)
Assoc. Book	Dec.	1,710	(2,950)	15.8	(34.4)	7.5	(7.5)
Aurora Holdings	Dec.	1,830	(3,800)	2.6	(13.9)	1.55	(6.16)
Authority Invs.	Sept.	122	(186)	2.4	(4.1)	—	(—)
Automotive Prod.	Dec.	3,070L	(13,470)	7.0	(25.5)	3.02	(3.18)
Bestwood	Dec.	179	(146)	7.4	(5.9)	4.5	(3.0)
BICC	Dec.	74,600	(65,400)	23.6	(18.3)	9.43	(8.57)
Bifurcated Engn.	Dec.	148L	(1,420)	2.4	(10.1)	1.5	(3.5)
Blackwood Hodge	Dec.	4,930	(10,880)	2.5	(7.2)	2.5	(2.5)
Blantyre Tea	Sept.	446	(599)	11.9	(15.4)	5.0	(4.0)
Bowater	Dec.	85,000	(91,300)	18.8	(33.3)	11.5	(11.5)
Bowthorpe	Dec.	9,050	(7,620)	11.5	(9.4)	2.96	(2.69)
Brammer (H.)	Dec.	5,880	(6,410)	13.9	(18.9)	5.5	(5.5)
British Sidac	Dec.	773L	(1,940)	—	(—)	—	(—)
Brooks Watson	Dec.	350§	(2,440)§	—	(9.4)	1.0	(3.0)
Christies Intl.	Dec.	7,040	(6,050)	15.2	(14.5)	7.0	(6.0)
Clarke Nicholls	Dec.	844	(943)	25.1	(10.0)	4.0	(3.5)
Dorada Hldgs.	Dec.	1,350L	(1,920)	—	(22.3)	2.1	(5.47)
Dreamland Elect.	Dec.	840	(1,500)	6.8	(3.9)	1.2	(1.2)
Elys (Wimbldn.)	Jan.	313	(337)	12.1	(13.7)	4.85	(4.5)
Empire Stores	Jan.	5,610	(7,380)	10.4	(12.7)	5.1	(5.1)
Feb International	Dec.	772	(618)	15.7	(8.8)	3.0	(2.45)
Finlan (John)	Dec.	508	(331)	17.6	(5.3)	4.0	(2.5)
Forward Tech.	Dec.	2,910¶	(2,100)‡	9.3¶	(9.2)‡	7.9¶	(4.7)‡
Gen. & Comrcl.	Feb.	827	(735)	9.8	(8.8)	9.35	(9.07)
Gill & Duffus	Dec.	23,060	(20,560)	23.2	(17.1)	8.4	(7.0)
Glynwed	Dec.	16,130	(18,680)	16.2	(19.3)	7.35	(9.15)
Grattan Warehses.	Jan.	3,110	(2,370)	5.5	(11.9)	4.12	(6.29)
Greenbank Ind.	Dec.	1,630	(2,090)	3.5	(4.2)	1.35	(1.34)
Greens Econmsr.	Jan.	1,870	(1,100)	17.7	(10.7)	5.75	(5.23)
Higgs & Hill	Dec.	2,100	(808)L	21.1	(—)	4.8	(3.85)
James Dickie	Oct.	87	(225)	2.9	(7.4)	3.94	(4.88)
Jerome & Son	Dec.	512	(405)	15.6	(9.2)	3.52	(3.7)
KCA International	Dec.	3,730	(2,820)	6.8	(4.6)	5.25	(4.5)
Laing Props.	Dec.	7,000	(5,600)	7.5	(6.4)	4.0	(3.5)
Lancaster (D. M.)	Dec.	285¶	(15)‡	1.8¶	(0.1)‡	0.61¶	(—)‡
Lead Industries	Dec.	10,300	(20,300)	18.1	(28.8)	9.66	(9.66)
Lec Refrigeratn.	Dec.	2,440	(1,620)	30.6	(18.0)	5.55	(3.7)
Lilley (F. J. C.)	Jan.	6,110	(5,100)	23.8	(16.2)	5.0	(3.85)
London Brick	Dec.	10,740	(12,740)	19.0	(12.7)	4.37	(4.37)
Midland Inds.	Dec.	92	(2,500)a	—	(18.4)	2.6	(2.4)
Mole (M.)	Dec.	136L	(151)L	—	(—)	—	(—)
Morgan Crucible	Dec.	10,030	(14,790)	15.4	(21.5)	7.5	(7.5)
Portals	Dec.	12,030	(11,000)	54.2	(33.9)	12.25	(11.0)
Reed Executive	Dec.	249	(3,160)	3.0	(21.1)	1.5	(4.5)
Richards (Leics.)	Dec.	293	(155)	24.5	(11.0)	4.3	(4.3)
Royal Worcester	Jan.	3,170	(3,600)	37.9	(49.0)	8.6	(8.6)
Ruberoid	Dec.	2,270	(1,780)	11.6	(8.0)	3.75	(3.1)
Senior Engn.	Dec.	5,090	(5,069)	6.9	(6.8)	1.5	(1.5)
Sindall (Wm.)	Dec.	413	(218)	42.4	(10.1)	5.5	(4.5)
Southampton IoW	Dec.	1,590	(1,440)	44.6	(40.0)	15.0	(13.5)
Stand. Chartered	Dec.	232,500	(169,800)	125.8	(88.4)	32.5	(26.0)
Stanley (A. G.)	Dec.	2,220	(2,980)	7.7	(11.4)	2.5	(2.5)
Stewart Wrigtsn.	Dec.	7,390	(10,380)	18.0	(28.3)	12.0	(12.0)
Sykes (Henry)	Dec.	1,280L	(279)	—	(2.4)	—	(4.0)
Taylor Woodrow	Dec.	24,840	(24,570)	56.1	(56.9)	16.31	(13.6)
Tioxide	Dec.	7,220	(15,680)	9.0	(31.4)	—	(14.5)
Ward White	Dec.	3,800	(5,790)	10.1	(39.1)	4.2	(4.2)
Watts Blake	Dec.	3,940	(3,614)	16.6	(13.0)	3.3	(2.9)
Wills (George)	Dec.	1,020	(1,190)	12.5	(12.8)	4.5	(3.6)
Yorks. Chemicals	Dec.	859L	(908)	—	(2.7)	—	(4.85)

§ In IR£. a Previous 15 months.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Bryant Holdings	Nov.	3,730	(3,260)	0.85	(0.75)
CLRP Inv. Tst.	Feb.	365	(432)	1.6	(1.6)
Dowding & Mills	Dec.	652	(987)	0.7	(0.7)
Greencoat Props.	Dec.	50L	(2)	—	(—)
Habitat	Jan.	2,290	(2,780)	—	(—)
Highland Dist.	Feb.	2,460	(3,030)	0.8	(0.8)
Peters Stores	Dec.	166	(772)	1.5	(1.5)
Photo-Me Intl.	Oct.	1,480	(1,430)	3.15	(3.15)
Scot. Met. Prop.	Feb.	2,040	(1,580)	1.25	(1.04)
Sterling Credit	Dec.	1,480L†	(792)L‡	—	(—)
Walker . . Homer	Jan.	42	(169)L	—	(—)

(Figures in parentheses are for corresponding period.)

* Dividends shown net except where otherwise stated. † For nine months. ‡ For previous 12 months. ¶ For 18 months. ‖ Annualised. L Loss.

Rights Issues

British Dredging—One for four rights issue at 25p per share to raise £0.72m.
London Shop Property Trust—To raise £4.87m by way of a rights issue of 9 per cent convertible unsecured loan stock 1994-99 at par.
Rocky Mountain Oil and Gas—One for one rights issue at 175p per share to raise £2.1m.
Sterling Credit—Is raising £198m by way of a rights issue of 34.4m new "A" ordinary 1p shares at 6p per share.
Yorkshire and Lancashire Investment Trust—One for two rights issue at 36p per share to raise £679,000.

EUROPEAN OPTIONS EXCHANGE

		June		Sept.		Dec.		
SEAR C	$20	6	1⅛	—	—	—	—	$20⅛

Series		April Vol.	April Last	July Vol.	July Last	Oct. Vol.	Oct. Last	Stock
ABN C	F.280	—	—	5	11	—	—	F.285
ABN C	F.300	5	0.30	3	4	—	—	"
ABN C	F.320	4	0.10	—	—	—	—	"
AKZO C	F.17.50	—	—	2	6	—	—	F.22.80
AKZO C	F. 20	44	2.80	22	3.30	—	—	"
AKZO C	F.22.50	44	0.50	43	1.70A	20	2.80	"
AKZO C	F.25	15	0.10	17	1	53	1.50	"
AKZO P	F.22.50	—	—	—	—	21	1.50	"
AMRO C	F.55	2	2.20	—	—	—	—	F.56.10
KODA C	$80	1	3½	—	—	—	—	$82⅝
HEIN C	F.55	36	2.20A	5	5.50	—	—	F.56.50
HEIN C	F.60	—	—	—	—	4	2.90	"
HEIN P	F.55	—	—	5	2.10	—	—	"
HEIN P	F.60	5	4.50	—	—	5	5.80	"
HOOG C	F.12.20	—	—	5	2	71	2.60	F.20.10
IBM C	$60	—	—	2	5¼	—	—	$61 1/16
IBM C	$65	—	—	—	—	2	4	"
IBM P	$60	30	⅝	5	1⅞	—	—	"
KLM C	F.60	8	45	—	—	—	—	F.104.70
KLM C	F.65	3	40	—	—	—	—	"
KLM C	F.70	11	35B	15	36	1	35	"
KLM C	F.80	58	25A	54	26 A	100	25 B	"
KLM C	F.90	22	15.50A	36	18	3	20.50	"
KLM P	F.100	223	6.80	164	12.80	10	15	"
KLM P	F.110	194	2.80	137	6.70	39	10	"
KLM P	F.80	—	—	56	1.60	—	—	"
KLM P	F.90	3	0.40	25	3	—	—	"
KLM P	F.100	59	2	29	7	10	12	"
KLM P	F.110	5	8	—	—	—	—	"
NATN C	F.120	17	1.30	11	4.80	—	—	F.119.60
NATN C	F.125	4	0.30	—	—	—	—	"
NATN C	F.120	5	1	—	—	—	—	"
PETR C	Fr.4500	5	40	—	—	—	—	Fr.4540
PHIL C	F.15	—	—	12	6.30	—	—	F.21.20
PHIL C	F.17.50	326	3.60	110	3.80	6	3.80	"
PHIL C	F.20	222	1.20	485	2	191	2.30	"
PHIL C	F.22.50	—	—	413	0.90	245	1.50	"
PHIL P	F.20	30	0.20	105	1	47	0.90	"
PHIL P	F.22.50	—	—	3	2.50	—	—	"
POLA C	$30	5	1⅜	—	—	10	4⅞	$30½
RD C	F.80	149	8.50 B	—	—	—	—	F.88.90
RD C	F.85	38	4 B	—	—	—	—	"
RD C	F.90	228	1	26	3	2	5.20	"
RD C	F.95	413	0.22	27	1.70	—	—	"
RD C	F.100	374	0.10	23	1 B	7	3 B	"
RD C	F.110	—	—	73	0.50	1	1.20	"
RD C	F.120	—	—	10	0.30	—	—	"
RD P	F.80	15	0.10	—	—	—	—	"
RD P	F.85	418	0.60	—	—	—	—	"
RD P	F.90	991	1.80 A	166	6	19	8.30	"
RD P	F.95	453	6.50	78	9	—	—	"
RD P	F.100	167	11.50 A	12	14.20	—	—	"
ATT C	$50	1	5	—	—	—	—	$55⅞
UNIL C	F.130	8	10.50	—	—	—	—	F.140.20
UNIL C	F.140	—	—	30	3.20	4	4.30	"
UNIL P	F.125	—	—	2	0.90	—	—	"
UNIL P	F.135	—	—	3	3.50	—	—	"
UNIL P	F.140	—	—	5	7	—	—	"
		May		Aug.		Nov.		
MANN C	DM.130	18	9	70	12	—	—	DM139.70
MANN C	DM.140	10	2	12	4	—	—	"
SIEM C	DM.260	5	2	—	—	—	—	DM258
SLUM C	$100	—	—	10	10	1	11½	$100⅝
SLUM C	$120	10	⅝	4	2½	—	—	"

TOTAL VOLUME IN CONTRACTS 8840

A=Asked B=Bid C=Call P=Put

Significant growth for UB—chairman

THE RELATIVELY strong second half performance at **United Biscuits (Holdings)** last year, has strengthened directors' confidence in their budget forecast for 1981, which shows a significant increase in both trading and pre-tax profits, Sir Hector Laing, chairman, tells shareholders.

He says that 1980 was difficult, and the current year is likely to present even greater challenges. He adds that it seems unlikely the upturn in the UK economy will occur before the fourth quarter and, as far as the U.S. economy is concerned it is too early to guage the implications *for group companies of the new* administration's policies.

A major cost reduction programme is being carried out in all areas of the business, Sir Hector states, and a very substantial part of the UK raw material requirements for 1981 have been brought forward at favourable prices and currency levels.

With the possible exception of groundnuts, the chairman says "we have the best opportunity for very many years to hold the prices of our products in the UK throughout 1981."

Although the situation in the U.S. is not as favourable, both Keebler, with the benefit of a full year from Johnston's Pie Crust, and Specialty Brands are projecting substantial volume growth for the current year.

While UB will always be looking for opportunities to expand overseas, it is the group's intention "and our wish to invest for expansion and for improvement of productivity in this country," says Sir Hector.

As reported on March 13, with all of the increase coming in the second half, pre-tax surplus moved ahead, as expected, from £43.7m to £47.8m for 1980 on turnover up £89.3m to £880.3m. The dividend is stepped up to 4.37p against 3.7p.

Balance sheet shows shareholders' funds of £253.6m (£193.9m), bank overdrafts of £8.9m (£6.2m), bank balances and cash £16.9m (£24.1m), and short-term deposits and loans of £35.8m (£8.6m). Net liquid funds increased by £17.3m compared with a £5.6m decrease.

Meeting, Edinburgh, on May 6, noon.

Sir Denis gives warning on Eagle Star prospects

A VEILED warning of worsening prospects for the current year is given by Sir Denis Mountain, chairman of **Eagle Star Holdings** in his statement accompanying the 1980 report and accounts.

On one hand, he refers to Eagle Star as a predominantly UK insurer, suffering from the effects of the recession, with increased claims costs and unprecedented competition for premium income. On the other hand, although cash flow would continue to be positive, the likelihood of interest rates coming down meant that the rate of growth in investment income would not be as great. However, he is confident that the strength of insurance funds will stand the company in good stead.

As already reported, the group had a marginally higher surplus in 1980 of £65.9m, against £64.3m, after underwriting losses had jumped from £18.8m to £32.5m. The report gives more details of the underwriting pattern last year.

Premium income increased in *the UK by 15 per cent to £297m,* and underwriting losses worsened from £16.1m to £25m. The fire account was hit by the substantial rise in national fire wastage resulting in a £700,000 loss against a £2.5m *profit.*

The all-in householder account had losses cut 50 per cent from £6.4m to £4.2m, and motor losses were halved from £10.1m to £5.9m.

It was the groups large UK liability account that caused the trouble last year with losses rising from £2.6m to £13.1m. One of the problems was the large number of claims for industrial deafness going back several years.

SPAIN

April 10	Price %	+ or −
Banco Bilbao	297	
Banco Central	335	
Banco Exterior	268	+3
Banco Hispano	291	
Banco Ind. Cat.	125	
Banco Santander	328	+10
Banco Urquijo	181	
Banco Vizcaya	316	
Banco Zaragoza	217	−4
Dragados	138	−2
Espanola Zinc	75	
Fecsa	58.7	
Gal. Preciados	29.5	+0.5
Hidrola	64.7	
Iberduero	56.2	−0.8
Petroleos	93.5	−1
Petroliber	88	+1
Sogefisa	85	
Telefonica	80.5	−0.2
Union Elect.	63.7	

CORAL INDEX: Close 549-554 (+2)

Aran Energy confident

Operating revenue of Aran Energy, Irish oil concern, jumped *from IR£1.02m to £11.09m for* 1980 but the company still suffered a taxable loss for the period, although it was lower at £105,520 compared with £147,444.

Mr. G. E. Russell, chairman, tells shareholders that he looks forward with confidence.

Since the year end Aran has extended its exploration activities to Louisiana, U.S., where it has taken a 7.5 per cent interest on 2,966 acres in an area where there *is a number of oil and gas fields* in production.

Tax charge for the year was £36,776, against a £14,400 credit, and minority losses £19,834 (£28,433) leaving the attributable figure at £122,462 loss, against £104,611.

It is proposed to subdivide the £1 ordinary shares into five of 20p.

WORLD STOCK MARKETS

Early Wall St. firm and active

FURTHER GAINS were scored in heavy trading on Wall Street yesterday, helped by a somewhat better outlook for inflation.

By mid-day the Dow Jones Industrial Average was up another 3.06 to 1,001.89, reducing its loss on the week to 5.22. The NYSE All Common Index, at $78.02, rose 22 cents on the day but was still off 12 cents on the week, while advances led declines by an eight-to-five majority in a volume of 36.6m (32.9m) shares.

Analysts said signs of a decline in world oil prices raised hopes for an easing of inflationary pressures. The sharp rise in the energy price component of many goods has been a big factor in recent increases in wholesale and retail prices.

As a result, analysts said, investors were willing to take in stride an increase in the Prime Rate to 17½ per cent from 17 per cent by two major banks. Most major banks are charging 17 per cent.

Among the groups benefiting from hopes for an easing of inflation are the Retail and Consumer Goods companies. Airlines were also strong—they benefit directly from lower fuel prices.

Volume leader **K Mart** rose $⅜ to $22⅞, **Sears Roebuck** $½ to $19¾ and **J. C. Penney** $½ to $30⅞. **Avon Products** gained $1¼ to $39¼, **Revlon** $½ to $45¼, **McDonald's** $⅞ to $64⅞. **Coca-Cola** $½ to $39.

Among the Airlines, **Pan American** put on $¼ to $5½, **Trans World** $⅞ to $26½, **UAL** $¼ to $27, **Delta** $½ to $71¾ and **Northwest Airlines** $¼ to $31⅞. Active **Eastern** held unchanged at $10, however.

Active **IBM** firmed $¼ to $62 after reporting higher first quarter profit.

Motors added fractions. **Chrysler** said it approached **Ford Motor** about a possible merger in accord with a request of the Chrysler Loan Guarantee Board that it seek merger or joint venture possibilities with other companies. Ford directors rejected the overture.

THE AMERICAN SE Market Value Index climbed 1.19 to 368.91, trimming its loss on the week to 0.22. Volume 4.47m (2.96m) shares.

Shares of two British firms topped the active list. Volume leader **Imperial Group** were unchanged at $1⅞ and **Imperial Chemical**, in second place, tacked on $⅛ at $6⅛. A block of 639,200 shares of Imperial Group moved at $1⅞ and a block of 525,000 shares of Imperial Chemical traded at $6.

Dome Petroleum rose $⅛ to $80⅞—it will split five-for-one.

Closing prices for North America were not available for this edition.

Canada

Markets were up moderately in fairly active noon trading yesterday, when the Toronto Composite Index rose 9.5 to 2,375.4.

The Metals and Minerals Index put on 11.0 to 2,412.9 and Oil and Gas 16.0 to 4,633.0. But Golds lost 18.6 to 4,214.0.

Oil stocks were higher. **Gulf Canada** rose $¼ to $25⅞ and **Imperial Oil "A"** $½ to $34⅞—both are participants in a new Arctic Islands gas find.

Dome Petroleum where up $¼ to $95⅞ before a halt for news of a proposed five-for-one stock split.

BC Resources, the most active *Industrial, climbed $⅞ to $5⅞* on 105,690 shares—it dropped out of the bidding competition against **Noranda Mines** for control of **Macmillan Bloedel**. Macmillan fell $1½ to $51 while Noranda gained $⅞ to $31½.

Brascan improved $⅞ to $33⅞—Quaker Oats has an option to buy Brascan's 961,700 Quaker shares at $34 each.

Tokyo

Market average on the SE gained 25.49 to a record 7,517.31 in active trading after Thursday's modest setback on profit-taking. Volume 680m shares, *about half of Thursday's record* 1.3bn volume.

"High-priced" Electricals, Trading Houses, Drugs, Precisions and other "medium-priced Blue Chips were higher, while "large capitals" and Motors fell *slightly on profit-taking*.

Foreign investors, who led the current upswing in heavy trading, and Domestic small investors were cautious over the fast pace of the market advance.

Steels, Shipbuildings and Heavy Electric Machines eased on profit-taking.

Hong Kong

Generally higher in fairly active trading, with the Hang Seing Index adding 31.01 at 1,356.06.

Prices opened higher after local stocks rose in London overnight and continued to rise on *local* buying including considerable short-covering.

Turnover was aided by funds held over from Thursday when the Far East Exchange was closed due to a gas leak near its premises.

Hongkong Land traded strongly and added 50 cents at HK$11.40 after announcing record final profits Thursday, while its 40 per cent shareholder **Jardine Matheson** rose HK$1.10 to HK$21.40. Analysts believe Jardine will benefit from Land's decision to switch to equity accounting policies for its associates.

Hong Kong Wharf put on 35 cents to *HK$7.80 on a special* cash dividend and a bonus issue with its final results.

Australia

Markets closed firmer in light, mixed trading as local and foreign investors continued bargain-hunting.

The Rundle failed to maintain an early recovery. **Central Pacific** closed steady at $A2.60 after early sales at $A2.80. **Southern Pacific** ended 3 cents lower at $A1.16.

Oil and Gas issues were generally firmer, with **Ampol Exploration** up 20 cents to $A4.95 after Thursday report of another big gas flow from the Gorcow No 1 well. **Crusader** added 20 cents at $A7.40, while **Strata Oil** dipped 30 cents to $A2.90.

Stocks with Gold interests were prominent among the falls in line with lower bullion prices overseas.

Takeover target **Containers** rose 6 cents to $A6.20.

Nylex put on 5 cents to $A1.75—it is involved in talks with **Dunlop Olympic** relating to the jointly owned **Olex Cables**.

Paris

Mixed in a quiet market with news that **Rhowe Poulenc**, off Frs 2 at 86, one of France's leading Chemical companies, made a loss last year.

Pechiney Ugine Kuhlmann lost Frs 1.9 at 102 following confirmation it is discussing selling part of its chemical interests to **Occidental Petroleum**.

The only firm sector was stores where **Printemps** edged up 40 centimes to Frs 118.5 following a higher dividend out lower group profit for 1980.

All other sectors traded mixed with an easier bias, except for Engineering and Hotels which held steady.

Among Foreign Stocks, Americans, Germans, and Dutch were steady. Oils and Coppers lost ground, while Gold Mines were mixed.

Germany

The Commerzbank Index rose 0.9 to its third consecutive new high of the year at 717.20, lifted by general strength and some exceptional gains.

Daimler were favoured by Foreign investors, who were much in evidence, rising DM 5.50 to 302. **BMW** gained DM 4.50 to 176, and **VW** rose DM 0.90 to 164.70 despite its dividend cut.

Bourse sources said much of the Foreign interest was from OPEC countries, centring on Motors and Engineerings.

The Domestic Bond Market was quiet, with a few gains up to DM *0.40 and losses to DM* 0.30, the Bundesbank sold DM 9m of stock. Mark Eurobonds were steady.

Indices

NEW YORK —DOW JONES

	April 9	Apr. 8	Apr. 7	Apr. 6	Apr. 3	Apr 2	1981 High	1981 Low	Since Cmpil't'n High	Since Cmpil't'n Low
◆Industr'ls	996.83	993.45	992.39	934.24	1007.11	1008.1	1015.22 (25/3)	951.57 (15/2)	1051.78 (11/1/73)	41.22 (2/7/32)
H'me B'nds	61.42	61.42	61.54	61.23	61.53	61.62	65.78 (15/1)	61.23 (8/4)	—	—
Transport..	445.44	459.02	454.63	452.10	438.71	440.56	445.44 (9/4)	379.19 (20/2)	445.44 (9/4/81)	12.23 (8/7/32)
Utilities	108.15	109.84	109.10	106.96	103.46	110.06	117.81 (5/1)	105.41 (26/2)	163.32 (20/4/69)	10.5 (28/4/42)
TradingVol 000's	59,520	43,000	44,540	45,190	48,680	52,570	—	—	—	—

◆Day's high 1004.50 low 964.87

Ind. div. yield %	Apr. 3	Mar. 27	Mar. 20	Year ago (approx
	5.60	5.57	5.58	6.30

STANDARD AND POORS

	April 9	Apr. 8	Apr. 7	Apr. 6	Apr. 3	Apr. 2	1981 High	1981 Low	Since Cmpil't'n High	Since Cmpil't'n Low
‡Indust'ls ...	152.55	152.18	151.75	151.80	155.56	154.54	157.02 (6/1)	145.78 (2/2)	160.96 (28/11/80)	3.52 (30/6/32
Composite	134.67	134.31	133.91	133.96	135.49	136.32	138.12 (6/1)	126.58 (20/2)	140.52 (28/11/80)	4.40 (1/6/32)

	April 8	Apr. 1	Mar. 25	Year ago (approx
Ind. div. yield %	4.55	4.47	4.44	5.74
Ind. P.E Ratio	9.46	9.64	9.68	7.14
Long Gov. Bond Yield	12.94	12.46	12.63	11.64

N.Y.S.E. ALL COMMON

Apr. 9	Apr. 8	Apr. 7	Apr. 6	1981 High	1981 Low
77.80	77.55	77.30	77.29	79.14 (6/1)	72.45 (20/2)

Rises and Falls	Apr. 9	Apr. 8	Apr. 7
Issues Traded	1,902	1,915	1,917
Rises	879	855	740
Falls	635	654	770
Unchanged	388	406	407
New Highs	123	80	53
New Lows	8	6	4

MONTREAL

	Apr. 9	Apr. 8	Apr. 7	Apr. 6	1981 High	1981 Low
Industrials	397.21	395.26	355.02	395.94	388.25 (2/4)	356.26 (20/2)
Combined	371.05	369.95	369.34	370.89	373.86 (2/4)	339.34 (20/2)
TORONTO Composite	2366.9	2358.4	2349.7	2359.5	2375.2 (2/4)	2151.4 (20/2)

	Apr. 10	Apr. 9	Apr. 8	Apr. 7	1981 High	1981 Low
AUSTRALIA All Ord. (1/1/80)	731.9	726.9	722.3	731.3	737.3 (6/4)	641.1 (17/2(
Metal & Minrls. (1/1/80)	662.7	650.2	627.2	648.5	755.2 (7/1)	554.9 (3/3)
AUSTRIA Credit Aktien (2/1/62)	61.80	61.64	61.31	61.35	66.43 (5/1)	61.64 (9/4)
BELGIUM Belgian SE (31/12/65)	81.85	82.28	82.54	82.47	86.15 (17/2)	81.85 (10/4)
DENMARK Copenhagen SE (1/1/73)	108.92	108.40	108.32	108.89	109.25 (6/4)	95.88 (2/1)
FRANCE CAC General (29/12/61)	108.7	109.3	108.6	107.9	112.5 (17/3)	103.1 (29/1)
Ind Tendance (31/12/80)	102.4	102.3	101.7	101.2	106.8 (16/3)	95.4 (27/1)
GERMANY FAZ-Aktien (31/12/58)	232.44	231.96	230.36	228.06	232.4 (10/4)	216.88 (9/2)
Commerzbank(Dec.1953	717.2	716.20	711.6	704.5	717.2 (10/4)	668.4 (16/2)
HOLLAND ANP-CBS General (1970)	89.6	89.9	89.7	88.8	90.5 (26/2)	85.7 (2/1)
ANP-CBS Indust. (1970)	69.4	69.0	68.4	68.4	69.4 (10/4)	62.8 (2/1)
HONG KONG Hang Seng Bank (31/7/64)	1356.06	1325.05	1347.11	1380.08	1850.82 (4/2)	1295.44 (11/3)
ITALY Banca Comm. Ital (1972)	247.89	248.89	247.59	246.25	252.86 (3/4)	175.36 (6/1)
JAPAN Dow Average (16/5/49)	7517.31	7491.82	7508.52	7458.36	7517.3 (10/4)	6956.52 (13/3)
Tokyo New SE (4/1/68)	546.39	546.23	544.52	538.71	546.39 (10/4)	495.79 (5/1)
NORWAY Oslo SE (1/1/72)	119.8	120.03	118.37	118.41	124.16 (6/3)	116.22 (13/2)
SINGAPORE Straits Times (1966)	821.78	828.39	830.52	851.75	835.52 (6/4)	659.52 (2/1)
SOUTH AFRICA Gold (1958)	—	648.0	659.0	658.5	797.6 (7/1)	561.5 (3/3)
Industrial (1958)	—	620.2	618.5	622.2	622.4 (8/4)	537.2 (3/2)
SPAIN Madrid SE (30/12/80)	112.46	112.39	112.43	112.35	114.26 (17/2)	100.46 (2/1)
SWEDEN Jacobson & P. (1/1/58)	494.9	493.53	490.36	475.89	493.61 (25/3)	404.77 (29/1)
SWITZERLAND Swiss BankCpn.(31/12/58)	300.9	300.9	302.0	301.2	304.2 (2/4)	237.0 (15/2)
WORLD Capital Intl. (1/1/70)	—	159.2	158.5	157.4	162.8 (6/1)	149.9 (17/3)

Base values of all indices are 100 except Australia All Ordinary and Metals—500; NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 industrials. § 400 industrials plus 40 Utilities ... ts. (c) Closed.

هكذا في الأصل

NEW YORK ACTIVE STOCKS

Thursday	Stocks traded	Closing price	Change on day		Stocks traded	Closing price	Change on day
Am. Tel. & Tel.	1,438,600	55⅛	+1⅛	Pan-Am Air. ...	646,500	5⅛	+ ½
Dmd. Shamrock	943,300	33⅞	− ⅜	Sears Roebuck	617,400	19¾	+ ⅞
IBM	856,800	61½	+1½	Amer. Airlines	608,300	17⅞	+1⅛
K Mart	827,500	22⅞	+ ⅞	Eastern Airlines	585,100	10	+1
Storage Tech.	677,100	28⅛	+2⅛	Texaco	561,300	36⅞	− ⅞

Nestle hit by poor trading in Argentina

By Our Financial Staff

POOR trading in Argentina has forced Nestle, the Swiss foods group, into reverse for 1980, depressing net profits to SwFr 683m ($350m) again SwFr 816m in 1979.

Sales rose by 13 per cent to SwFr 24.5bn. But margins have been severely squeezed by the problems in Argentina, heavy financial costs and provisions for restructuring.

Operating margins last year narrowed to 8.4 per cent from 9 per cent, while net profits as a percentage of sales tumbled to 2.8 per cent from the 3.8 per cent of 1979. However, the dividend is being maintained at SwFr 73 a share.

In November the company revealed that it had run into substantial losses in Argentina as a result of the high level of the peso, a "government policy of keeping frontiers open to cheap imports and "mistakes" by Nestle's local management.

Return to profit at Alsthom

By David White in Paris

ALSTHOM-ATLANTIQUE, the French electrical engineering, shipbuilding and locomotive group controlled by Compagnie Générale d'Electricité (CGE), made a net profit of FFr 125m ($25m) last year after a loss of FFr 8m in strike-bit 1979.

The company is proposing a sharp increase in its net dividend from FFr 2.50 to FFr 9 per share.

M. Roger Schulz, the chairman put in two years ago to reorganise the group's management, is standing down and is due to be replaced by M. Jean-Pierre Desgeorges, director in charge of the group's energy equipment division.

Record foreign earnings lift Honda at parent level

BY YOKO SHIBATA IN TOKYO

HONDA MOTOR Company, the world's largest manufacturer of motorcycles and a major producer of passenger cars, increased parent company net profits for the year ended February 28 by 27.3 per cent to a record Y30.14bn ($141m).

The gain is, however, slight in comparison with the more than quadrupling of profits at the consolidated level in the first nine months of the year, when there was a rise of 302.9 per cent to Y74.86bn, a rate of increase expected broadly to be matched at the consolidated level over the year as a whole. Net consolidated earnings in 1979-80 were Y27.76bn, up 97 per cent, on sales increased by 27.2 per cent to Y1,310bn.

Parent company sales in the latest year were up 25.7 per cent to their highest-ever level of Y1,345bn ($6.3bn). Operating profits were up marginally, by 3.6 per cent to Y50.15bn. Consolidated sales at the nine-month point showed an advance of 29.5 per cent to Y1,257bn.

Over the year, the parent company sold 970,000 cars, up 144,000, or 17.4 per cent. A total of 3.07m motorcycles were sold, up 509,000 units, or 19.8 per cent.

Of the total unit sales of cars, exports accounted for 72 per cent, gaining 23.6 per cent. Motorcycle exports rose 22 per cent to take a 67.6 per cent share of total such sales.

The value of export sales increased by 33.3 per cent, compared with an 8.5 per cent gain in domestic sales. The sharp appreciation of the yen in the foreign exchanges in the second half of the year, means that the company suffered an exchange loss of Y13bn. The exchange losses arose from the time lag in the imposing of export price increases, arranged between the parent company and Honda's overseas sales subsidiaries each month. Exchange losses and material price increases were countered by the effects of greater production volume.

Dividends received from overseas subsidiaries enjoying a record earnings boom, supported the net profits.

In the current fiscal year, ending February 28, 1982, the company plans to manufacture 3.5m motorcycles, against the 3m last year. It hopes to raise automobile production to 980,000 units from 970,000.

Capital investment plans call for the outlaying of Y70bn on an unconsolidated basis. Of this total, Y31bn is planned for the expansion of its new Verno domestic sales net work, Y23bn for automobiles and Y16bn for motorcycles.

Net sales for the current full fiscal year are expected to reach Y1,480bn, up 11 per cent, operating profits are forecast to be Y60bn, up 19 per cent and net profits Y33bn.

First Chicago bank recovers

BY OUR NEW YORK STAFF

FIRST CHICAGO, the ninth largest bank group in the U.S. and the company which alarmed Wall Street last year when it dismissed its chairman and suffered a sharp drop in earnings, yesterday reported better than expected first quarter profits.

Mr. Barry Sullivan, who took over as the bank's chairman last June, said he expected that First Chicago's earnings for all of 1981 to be "significantly better" than a year earlier.

Before securities transactions, first quarter income was $22.4m, up 19 per cent from the $18.8m in the first quarter of 1980.

The company said that the gain had been made in spite of an increase in credit losses. Earnings from interest income had improved both in the U.S. and overseas. At home, the income from variable rate commercial loans had increased sufficiently rapidly to offset the higher costs of financing fixed-rate assets. It was the difficulty in managing the gap between low yielding assets and the volatile cost of funds which created problems at the bank last year.

After securities transactions, 1981 first quarter net was $22.45m compared with $18.94m.

Wheelock Marden advances

BY OUR HONG KONG CORRESPONDENT

WHEELOCK MARDEN, one of the four major Hong Kong trading houses popularly known as the "hongs" yesterday reported profits for the nine months ended December 31 of HK$153.88m (U.S.$28.8m) after taxes and minorities to show a gain of 23 per cent on an annual basis from profits for the year ended March 31, 1980, of HK$167.27m. The company has changed its financial year and from March to December.

The group also reported an extraordinary profit from the sale of properties of HK$167.55m, and an unrealised net exchange gain on foreign currencies of HK$6.69m, making a total profit for the year of HK$328.15m, up 58 per cent on an annual basis from the previous year.

The final dividend was set at 11 cents per A share and 1.1 cents per B share, making a total for the year of 19 cents per A and 1.9 cents per B, an *adjusted* 24 per cent gain from the previous year.

In addition, shareholders will receive a special dividend, payable out of extraordinary profits of 6 cents per A share and 0.6 cents per B share, while the group has also announced a one-for-ten scrip issue.

The directors gave no details of the year's performance, but although Wheelock Marden has had a reputation for slow profit growth, it began to attract more investors' interest in 1980 because of several joint ventures for property development with Hong Kong's most active property developer, Cheung Kong Holdings, headed by Mr. Li Ka-shing.

Tunku Dato' Ahmad

Malaysian joint chief for Sime

By Wong Sulong in Kuala Lumpur

SIME DARBY, the Malaysian conglomerate, has appointed Tunku Dato' Ahmad Yahaya as the group's joint chief executive, to share the position with Mr. Jim Scott, the current chief executive.

The promotion of Tunku Ahmad is the most important appointment of a Malaysian in Sime since the control of the board was taken over by Malaysians five years ago.

Tunku Ahmad, 52, is a member of the Kedah Royal House and is probably the country's most respected Bumiputra (Malay) businessman. He is on the board of the Malaysian central Bank. Mr. Scott is 51.

Full responsibility for the day-to-day operations of Sime is to go to Tunku Ahmad, while Mr. Scott will look after the group's expansion programme, including strategic corporate planning, and will retain direct responsibility for group investments in India and the West Asian development programme.

Straits Trading ahead

Straits Trading Company, the Singapore trading, smelting and investment house increased group earnings before depreciation and tax for the year to December, by 34 per cent to S$87.1m (U.S.$41.5m), writes Georgie Lee from Singapore. After tax profit increased by 26 per cent to S$47.5m.

Turnover rose by 14 per cent to S$1.16bn (U.S.$552m). A second gross interim dividend of 22 per cent, is proposed, making a total of 30 per cent for the year, compared with the adjusted figure of 21 per cent for 1979.

Ford board rejects offer for Chrysler

BY IAN HARGREAVES IN NEW YORK

FORD MOTOR formally rejected the idea of merging with Chrysler at a board meeting on Thursday, it was learned yesterday.

The company said its directors had been shown the results of a management evaluation of a link between the two companies, but had decided the proposed arrangement was "clearly not in the best interest of Ford or its stockholders."

As reported earlier this year, the Ford management study rejected even the idea of taking over Chrysler's modern K-car production lines, which many analysts feel would be a good fit for Ford, which is suffering serious loss of market share in the U.S. because of shortage of capacity for building smaller cars.

Ford said it had received the merger proposal from an intermediary, assumed to be Salomon Brothers, the Wall Street investment bank which has been retained by Chrysler to seek a collaboration with another company.

The U.S. Government, whose loan guarantees have kept Chrysler afloat in the last year, has told Chrysler it must find a partner in order to secure its survival once the latest $400m tranche of Government aid runs out, probably some time during this summer.

The difficulty is that no other company has so far shown any interest in Chrysler, which lost $1.7bn last year and which is still deeply in the red.

Chrysler's strategy, which the Government supports, has been to increase market share by price-cutting and to remove as much private sector debt from its balance sheet as possible. Its market share has improved from just over 9 per cent last year to around 12 per cent so far this year, but the company still has a large burden of interest payments to the Government and others.

The best chance for a merger appears to lie in the Government becoming Chrysler's only substantial debtor and then writing off the borrowings in order to attract a partner.

Now that both Ford and General Motors have said they are not interest, the search is confined to foreign motor companies. There may be political problems, however, in persuading Congress to abandon the $1.2bn guaranteed in loans to Chrysler for the benefit of a foreign company.

ASEA in SKr 525m bid for power company

BY WESTERLEY CHRISTNER IN STOCKHOLM

ASEA, the Swedish heavy electrical engineering group, has made a bid for AB Skandinaviska Elverk, a privately-held power company in which ASEA holds 49.2 per cent of the shares.

The deal, valued at about SKr 525m ($113m), would increase ASEA's stake in Elverk to more than 90 per cent. It would give ASEA the country's largest private stake in a power company.

ASEA is offering the company's shareholders one B share (with limited voting) in Gullspangs (A) Kraft AB, another power company, for every share in Elverk, plus four B shares in AB Electrolux and SKr 50 in cash. ASEA is the largest single shareholder in Electrolux, the Swedish domestic appliances group, with 20.1 per cent of the shares.

Elverk shareholders would receive dividends from this year, according to ASEA. A request will be made to the Swedish Government to free the profit from capital gains tax in connection with this deal. *Similar requests have been made* in Sweden recently in conjunction with several other major deals.

The bid, if successful, would expand ASEA's involvement in the electrical power producer market. The company has interests in Gullspangs, which would be raised to 65 per cent.

Trading in Elverk shares was halted on the Stockholm Stock Exchange on Thursday, pending ASEA's announcement. Share trading had been heavy, causing the value to peak on Wednesday at SKr 410 from substantially under SKr 400.

● Statsforetag, the state holding company, lifted net profits by SKr 164m to SKr 261m in 1980 following a 15 per cent advance in sales to SKr 13.9bn.

Sharply higher dividend from Wharf

By Adrian Boven in Hong Kong

HONGKONG AND KOWLOON Wharf and Godown Company, which was the subject of a major takeover battle last year in which Sir Yue-Kong Pao, the shipping magnate, wrested control away from Hongkong Land, the property associate of Jardine Matheson, the trading house, yesterday reported recurring profits for 1980 of HK$235.8m ($42.6m) after tax and minorities, up 37.7 per cent from HK$164m in 1979.

The group also reported extraordinary gains from property sales of HK$212.4m, against extraordinary items of HK$66m, lifting total profits for the year to HK$438.2m, from HK$230m.

The final dividend was fixed at 10 cents a share, making a total for the year of 13.2 cents, and the group also announced a special dividend of 10 cents a share. Overall, the dividend payout will be 133 per cent higher than in 1979.

In addition, shareholders will receive a one-for-five scrip issue, and the directors say they expect ordinary dividends in 1981 to be maintained at 13.2 cents a share on the increased capital.

The group's major project, the construction of a vast commercial complex on the Kowloon waterfront is proceeding to schedule and two of the four phases of the project are expected to begin contributing to earnings later this year. Cargo handling operations also showed good results but a tramway system and a ferry fleet have met with difficulties, because of higher operating costs, traffic congestion, and competition from Hong Kong's new Mass Transit railway.

COMMODITIES/REVIEW OF THE WEEK

Buoyant start for gas oil futures

BY OUR COMMODITIES STAFF

GAS OIL futures trading in London got off to a good start when the new market was launched on Monday. Turnover on the first day was over 1,800 lots (of 100 tonnes each) and although trading was at a much lower level in subsequent days, dealers claimed to be very satisfied with the support received.

Interest in other markets was rather subdued, in view of depressed demand. On the London Metal Exchange zinc provided the main interest, following the move by producers to lift their European price by $50 to $875 a tonne.

It was thought at one stage that the custom smelters in Europe would hold out against the price rise in view of the poor demand for zinc metal, even though concentrates are in short supply. The smelters quickly gave in, however, and followed the producer price rise, initiated by Noranda of Canada last week. On the London Metal Exchange cash zinc reached a peak of £381.5 on Tuesday, but then eased back to close last *night at £373 a tonne*, barely changed on the week.

The breakup of the International Tin Council meeting yesterday, with producer countries walking out in pro*test at the* failure to agree to their demands for a rise in the International Tin Agreement price range, depressed the market. Cash tin lost £95 to £6,330 a tonne, but was still £87.5 up on a week ago.

The cash price was pushed up sharply on Thursday by a technical shortage of immediately available supplies, and an inflow *of* new supplies yesterday helped depress the market too. Heavy selling, by speculators, influenced by the fall in gold to below $500 an ounce, depressed both silver and copper. Cash copper wirebars slumped to £825.75 a tonne last night, £27.25 lower on the week. Silver fell 30.2p to 521.2p a troy ounce on the London bullion market. This followed confirmation of U.S. moves to release *silver* from its strategic stockpile.

The "bearish" trend in the world sugar market continued this week and the August position on the London futures market ended £12.525 down on balance at £209.85 a tonne in spite of rising slightly yesterday under the influence of pre-weekend booksquaring. The London daily raw sugar price fell to a one-year low of £205 a tonne at one stage before finishing with a net loss of £15 on the week at £207 a tonne.

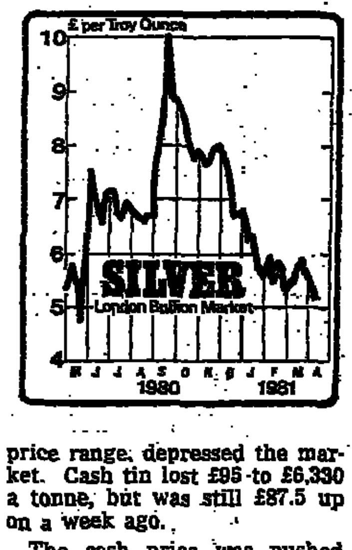
Dealers said there was little fundamental news to encourage the downward trend but neither was there any steadying influence.

The continuing decline has embarrassed the EEC Commis*sion which has had to resume* paying out subsidies on sugar for export. This week the subsidy was raised to 11.734 European currency units per 100 kilos.

The Commission has come in for some criticism for its failure to export sufficient sugar when the world market was above the fixed EEC price because of setting *levies at too high* a level.

The deepening world recession also brought new lows in the natural rubber and cotton markets this week.

RSS No. 1 spot rubber on the London physical market slipped to 51.5p a kilo—its lowest since 1978—before rallying to end the week 1.5p up at 51.5p a kilo.



WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1981 High	1981 Low
METALS					
Aluminium	£810/815	—	£810/815	£810/815	£760/70
Free Markets c.i.f.	$1425/1455	—5	$1,390/1,320	$1500/1550	$1400/1480
Antimony					
Free Market 99.6%	$2950/3050	—	$3410/3480	$3200/3260	$2950/3050
Copper Cash Wire Bars	£825.75	—27.25	£934.5	£856	£755
3 months Do. Do.	£844.75	—26.75	£1,002	£877.25	£777.5
Cash Cathodes	£819.5	—27.5	£942.5	£848	£749.5
3 months Do.	£833.5	—28.5	£975.5	£865	£765.5
Gold per oz	$492.5	—31	$527.5	$601	$463.5
Lead Cash	£342.5	—1.5	£459.5	£381.5	£273.75
3 months	£347.75	—2.625	£444.5	£357.5	£285.25
Nickel	£3,379.50	—	£3,477	£3,379.5	£3,156
Free Market c.i.f. lb.	290/305c	+5	288/315c	290/310c	270/280c
Platinum per oz	£213.50	—	£189/193	£213.50	£202
Free Market per oz	£218.20	—16.20	£287	£243.40	£185.50
Quicksilver (76lbs.)	$415/420	—2.5	$400/412	$415/430	$355/365
Silver per oz	521.20p	—30.20	712.4p	671.20p	512.05p
3 months per oz	535.70p	—31.70	751.4p	695.70p	528.05p
Tin cash	£6,330	+87.5	£7,640	£6,425	£5,700
3 months	£6,307.5	—5	£7,757.5	£6,407.5	£5,865.5
Tungsten Ind.	$149.08	—	$141.56	$149.08	$140.56
Wolfram (22.04 lb).	$147/149	—0.5	$144/148	$151/155	$143/146
Zinc cash	£373	+8.75	£346	£381.5	£306.5
3 months	£383	+3	£340.5	£390.75	£318.25
Producers	$875	+50	$825	$875	$825
GRAINS					
Barley Home Futures	‡	—	£90.50	£102.80	£98.25
Maize French	£125	+0.5	‡	£125	£119.75
WHEAT					
No. 1 Red Spring	‡	—	‡	‡	‡
Am. Hard Winter	£105	—0.75	‡	£112.5	£102.0
Eng. Milling (new crop)	‡	—	‡	‡	‡
SPICES					
Cloves (g)	£4,500y	—	£4,175	£4,500	£3,800
Pepper, white	$2,000y	—	$2,550	$2.025	$2,000
" black	$1,450y	—	$1,800	$1,650	$1,375
OILS					
Coconut (Philipines)	$555y	+20	$700	$640	$525
Groundnut 5%	‡	—	‡	‡	‡
Linseed, Crude	£406	—	£456	$460	£400
Palm Malayan	$580v	+15	$615	$645	$580
SEEDS					
Copra (Philipines)	$390y	—	$460	$430	$350
Soyabeans (U.S.)	$328	+3	$265	$340	$298
OTHER COMMODITIES					
Cocoa Shipment	£1,038	+4	£1,364	£1,054	£915
Cocoa Futures July	£964.5	+25	£1,364.5	£972.5	£850.5
Coffee Futures July	£1058.5	—10	£1,702.5	£1,070.5	£988.5
Cotton Index	89.05c	—1.1	91c	101.15c	88.15c
Des Coconut	£690	—	£715	£650	£640
Jute LJ ABW O grade	£214y	—	£218	£221	£219
Rubber kilo	53.5p	+1.5	65.5p	59.25p	51.5p
Sago Pearl	£210y	—	£204	£210	£197
Sisal No. - L	$730	—	$885	$780	$780
Sugar (Raw)	£207	—15	£233	£315	£205
Tapioca No. 1	£215y	—	£202	£215	£207
Tea (quality) kilo	120p	+3	‡	‡	‡
(plain,) kilo	67p	+1	‡	‡	‡
Wooltops, 64s Warp	322p	+6	297p kilo	325p kilo	294p kilo

‡ Unquoted. (g) Madagascar. (y) April/May. (x) March/April. (z) June. (z) May. * Nominal.

BASE METALS

COPPER—Easier on the London Metal Exchange following heavy selling from *two sources which depressed three* months to the day's low of £842 in the morning Rings. In the afternoon the market staged a minor rally to £848 before dipping afresh to close the late Kerb at £844. Turnover 22,775 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	822.5-3	—12	825.5-6	—3.25
3 months	841.5-2	—13.5	844.5-5	—5
Settlem't	823	—12	—	......
Cathodes				
Cash	815-6	—11	819-20	—5.75
3 months	830-1	—15	833.4	—4.5
Settlem'	816	—11	—	......
S. Prod	—		*87-92	......

Amalgamated Metal Trading reported that in the morning early July wirebars traded at £843, *three months* £847, 46, 45, 44, 43, 44, 42, 41.5, 42. Cathodes, cash £816, three months £830. Kerb: Wirebars, three months £843, 44. Afternoon: Wirebars, three months £845, 46, 45, 44, 45, 44.5, 44, 44.6, 45. Cathodes, cash £819. Kerb: Wirebars, three months £846, 46.5, 46, 45.5, 45, 44, 44.5.

TIN—Retreated on news of the failure to agree to increase the buy and sell ranges by the ITC, coupled *with much freer offerings of cash metal* for April 21. The easing of the squeeze on April 21 deliveries saw the backwadation contract to around £10, while forward metal fell from £6,340 to close the late Karb at £6,310. Turnover: 1,150 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	6355-60	—25	6325-35	—95
3 months	6320-5	—60	6305-10	—77.5
Settlem't	6360	—25	—	......
Standard				
Cash	6355-60	—25	6325-35	—95
3 months	6320-5	—60	6305-10	—77.5
Settlem't	6360	—25	—	......
Straits E.	‡830.95	—0.22	—	......
New York	—	......		

Morning: Standard, cash £6,360, 55, three months £6,330, 25. Kerb: Standard, three months £6,330. Afternoon: Standard, cash £6,330, three months £6,325, 15, 10, 05. Kerb: Standard, *three months £6,310, 6,300.*

LEAD—Lost ground on hedge selling which saw forward metal decline from £352 to £347 by the close of the afternoon Kerb. Turnover: 20,650 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	345.5-6	—5	343-3	—5.5
3 months	352-.5	—4.5	347.5-8	—6.62
S'ment	346	—5	—	......
U.S. Spot	—	......	*36	......

Morning: Cash £346, late-April £345, three months £352, 52.5, 52. Kerb: Three months £352. Afternoon: Three months £353, 52, 50, 49, 50, 49.5, 49, 48, 48.5, 48. Kerb: Three months £348.5, 48, 47.

ZINC—Little changed in quiet trading with forward metal moving in a £4 range prior to closing at £383.5. Turnover: 6,275 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Cash	373.5-4	+.25	373-4	—2.5
3 months	383.5-4	+.25	382-4	—2.5
S'ment	374	......	—	......
Primw'ts	—	......	*43.5	......

Morning: Cash £373.5, three months £384, 83.5. Kerb: Three months £383.5. Afternoon: Three months £383, 81, 82, 83. Kerb: Three months £383, 84.

ALUMINIUM—Barely changed in subdued trading which saw three months *ease to £648 before rallying to close* the late Kerb at £653.5. Turnover: 11,100 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Spot	639-40	—1	637-8	+.5
3 months	653-4	+2	652-3	+3

Morning: Three months £652, 53, 54, Kerb: Three months £653. Afternoon: *Three months* £653, 52, 53. Kerb: Three months £653.5, 54.

NICKEL—Gained ground reflecting improved activity in physical markets, coupled with the afternoon decline in sterling. Forward metal opened at £2,900 and gradually edged up to close the late Kerb at £2,925. Turnover: 234 *tonnes.*

NICKEL	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
Spot	2890-900	+5	2895-900	+25
3 months	2910-5	+5	2920-30	+31.5

* Cents per pound. ‡ M$ per kilo. † On previous unofficial close.

Morning: Cash £2,880, three months £2,900, 05, 10. Afternoon: Cash £2,895, three months £2,915, 20. Kerb: Three months £2,920, 30.

SILVER

Silver was fixed 8.45p an ounce lower for spot delivery in the London bullion market yesterday at 521.2p. U.S. equivalents of the fixing levels were: spot $11.40, down 21.5c; three-month $11.827, down 22.4c; six-month $12.297, down 24.4c; and 12-month $13.18, down 29.5c. The metal opened at 511-520p ($11.20-11.40) and closed at 512-521p ($11.20-11.40).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	521.10p	—8.45	514.0p	—5.25
3 months	535.70p	—8.45	529.5p	—5.25
6 months	552.60p	—10.0	—	......
12 months	585.60p	—11.8	—	......

LME—Turnover 81 (120) lots of 10,000 ozs. Morning: three months 532, 31, 30, 29, 28. Kerb: three months 527, 26. Afternoon: three months 531, 30, 29½. Kerb: three months 530, 28, 27, 29.

COCOA

Futures traded in thin volume for prices to close with marginal gains. Producers and consumers were again withdrawn but secondhand business for nearby resale cocoa continued to be active, reports Gill and Duffus.

COCOA	Yes'rday's Close	+ or —	Business Done
May	942-43	+7.0	945-38
July	964-65	+3.0	966-60
Sept.	981-82	+3.0	984-79
Dec.	1001-03	—0.5	1006-01
March	1022-23	......	1027-21
May	1035-39	—2.0	1042-39
July	1047-52	—3.5	—

Sales: 2,115 (1,289) lots of 10 tonnes.

ICCO Futures—Daily price for April 9: 94.46 (93.99): five-day average 94.96 (95.35).

SOYABEAN MEAL

The market opened a little steadier on light trade conditions, reports T. G. Roddick. Trade selling and long *liquidation during the afternoon eased* prices to close around £1 lower on day.

	Yesterdays Close	+ or —	Business Done
	£ per tonne		
April	136.00-39.0	—0.30	140.00
June	135.40-35.5	—1.05	135.00-132.80
August	136.70-37.0	—1.15	138.50-137.20
October	138.50-39.0	—1.00	140.50-139.50
December	140.50-41.0	—0.1	142.00-140.50
February	141.50-43.0	+1.15	—
April	142.00-46.0	+1.50	—

Sales: 143 (281) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE—Raw sugar £207.00 (£205.00) a tonne cif April-May shipments. White sugar daily price £222.00 (£215.00).

The market opened £2 below overnight levels and thereafter prices edged higher over the day in quiet trading of the day, reports C. Czarnikow.

No. 4 Contract	Yest'rdy's Close	Previous Close	Business Done
	£ per tonne		
May	210.00-10.20	208.75-09.80	210.20-08.00
Aug.	209.75-09.85	207.50-07.70	210.00-05.00
Oct.	210.00-10.25	207.00-07.50	210.25-04.50
Jan.	206.50-07.50	204.80-04.50	207.80-05.50
March	206.75-07.50	204.00-04.50	207.00-02.25
May	206.75-07.00	203.50-04.90	206.50-01.50
Aug.	206.75-09.00	204.00-05.00	—

Sales: 6,109 (7,732) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £342.6 (same) a tonne for home trade and £283.00 (£279.00) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean port. Prices for April 9: Daily price 18.70 (19.18): 15-day average 20.98 (21.21).

GAS OIL FUTURES

The market traded in a narrow range with good trade and Commission House interest either side. Buoyant volume made for a very successful first week for the market.

Month	Yesterd'ys close	+ or —	Business Done
	$ U.S. per tonne		
June	299.00	—1.00	299.75-97.75
July	301.75	—1.25	302.00-00.75
August	307.25	—1.75	308.00-306.50
September	313.25	—2.25	314.00-12.50
October	319.00	—2.00	320.00-19.00
November	325.00	—2.00	325.00-25.00
December	331.00	—0.75	331.50-30.50
January	334.00	—2.00	336.00-34.00
February	338.75	—2.25	338.75-38.75

Turnover: 686 (421) lots of 100 tonnes each.

GRAINS

	WHEAT		BARLEY	
Mnth	Yesterd'ys close	+ or —	Yesterday close	+ or —
May	118.50	+0.85	100.00	+0.25
July	120.30	+0.55	—	......
Sep.	101.80	+0.10	95.75	+0.15
Nov.	105.35	+0.20	99.35	+0.10
Jan.	109.20	+0.20	102.95	+0.05
Mar.	112.85	+0.05	106.70	+0.10

Business done—Wheat: May 118.75-118.00, July 120.85-119.75, Sept. 101.90-101.75, Nov. 105.35-105.15, Jan. 109.20-108.95, Mar. 112.95-112.85. Sales: 248 lots of 100 tonnes. Barley: May 100.00-99.90, Sept. 95.75-95.55, Nov. 99.40-99.25, Jan. 102.95 one trade, Mar. 106.70 one trade. Sales: 66 lots of 100 tonnes.

RUBBER

The London physical market opened steadier, with little interest at higher levels, closing uncertain. Lewis and Peat reported an fob May price for No. 1 RSS in Kuala Lumpur of 257.5 (261.0) cents a kg and SMR at 243.5 (240.5).

No 1 R.S.S.	Yest'r'ys close	Previous close	Business Done
May	54.70-54.80	53.50-54.10	—
June	55.80-55.90	54.70-56.10	55.80
Jly-Sept	58.40-58.50	57.40-57.50	58.60-57.70
Oct-Dec	61.40-61.50	60.40-60.50	61.50-60.70
Jan-Mar	64.20-64.30	65.30-65.40	64.50-65.90
Apl-Jne	67.10-67.30	66.20-66.30	67.10-67.00
Jly-Sept	70.10-70.20	69.10-69.20	70.10-70.00
Oct-Dec	72.80-75.10	71.90-72.00	75.00-72.80
Jan-Mar	75.80-76.00	74.70-74.90	75.90-75.80

Sales: 422 (374) lots of 15 tonnes, nil (same) at 5 tonnes. Physical closing prices (buyer) were: Spot 53.50p (52.50p), May 56.50p (55.75p), June 57.00p (56.50p).

AMERICAN MARKETS

Thursday's closing prices

NEW YORK, April 9.

Precious metals and copper were under pressure from large-scale Commission House liquidation prompted by technical considerations. The livestock complex rallied sharply as favourable margins encouraged packer buying. Cotton traded mixed most of the day with new-crop months under pressure from good precipitation. Heating *oil sold lower on reports* that two OPEC countries lowered their crude oil prices. Grains were mixed, while soyabeans firmed up on the close on lower precipitation forecast, reported by Heinold.

††Cocoa—May 1973 (1956), July 2035 (2010), Sept. 2088, Dec. 2145, March 2195; May 2244, July 2289. Sales: 2,100.

Coffee—"C" Contract: May 124.20-124.49 (125.24), July 125.00-125.15 (125.64), Sept. 125.30-125.40, Dec. 123.00-123.40, March 122.01-122.75, May 121.60-122.50, July 122.30-123.00, Sept. 122.50-123.25. Sales: 981.

Copper—April 81.85 (82.35). May 82.60-82.75 (83.15), June 83.85, July *85.00-85.15, Sept. 87.30-87.50, Dec.* 90.60-90.75, Jan. 91.85, March 94.05, May 95.80, July 98.05, Sept. 100.05, Dec. 103.05, Jan. 104.05. Sales: 7,000.

Cotton—No. 2: May 87.40-87.48 (87.15), July 88.50-88.60 (88.45). Oct. 86.20. Dec. 83.40-83.50, March 84.60, May 85.20-85.40, July 86.00-86.20. Sales: 3,200.

*Gold—April 492.0-493.0 (514.1), May 495.5 (518.5), June 502.5-503.0, Aug. 513.0-515.0, Oct. 528.0-528.5, Dec. 540.2, Feb. 553.3, April 566.5, June 579.8, Aug. 593.2, Oct. 606.7, Dec. 620.4, Feb. 634.3. Sales: 48,000.

Heating oil (cents per U.S. gallon)—May 0.9650 (0.9695), June 0.9729 (0.9793), July 0.9864, Aug. 0.9970, Sept. 1.0129, Oct. 1.0325, Nov. 1.0520, Dec. 1.0725, Jan. 1.0920, Feb. 1.1130, March 1.1290, April 1.1276, May 1.1300. Sales: 2,802.

Orange Juice—May 150.50 (148.30). July 151.70-151.75 (149.40), Sept. 151.30-151.60, Nov. 148.25, Jan. 146.00, March 146.90-147.10, May 147.60-148.00, July 148.60-149.00, Sept. 149.10-149.50. Sales: 2,000.

*Platinum—April 473.0-474.0 (494.3), May nil (nil), June nil, July 490.8, Oct. 510.3, Jan. 529.8, April 549.3. Sales: 2,312.

¶Silver—April 1125.5 (1160.5). May 1132.0-1135.0. (1170.0), June 1149.5, July 1163.0-1168.0, Sept. 1192.0-1195.0, Dec. 1244.5, Jan. 1260.0, March 1291.5, May 1323.0, July 1354.5, Sept. 1386.0, Dec. 1433.0. Handy and Harman bullion spot: 1133.00 (1165.00). Sales: 3,400.

Sugar—No. 11: May 18.65-18.70 (18.95), July 18.75-18.80 (18.85), Sept. 18.75-18.80, Oct. 18.76-18.80, Jan. 18.45-18.60, March 18.55, May 18.70, July 18.85. Sales: 8,321.

Chicago Imm Gold—April 492.0 (513.0), May nil (nil). June 501.2-502.0, July 530.6, Sept. 520.0, Oct. 550.1, Dec. 539.0-538.5, Jan. 569.7, March 558.0, April 589.4.

Tin—638.00-647.00 (636.00-646.00).

CHICAGO, April 9.

Lard—Chicago loose 19.50 (19.25).

Live Cattle—April 64.30-64.20 (63.87), June 69.55-69.60 (69.42), Aug. 70.20-70.05, Oct. 69.00-68.80, Dec. 70.07-70.25, Feb. 71.25, April 71.75.

Live Hogs—April 43.70-43.80 (43.12), June 51.30-51.50 (50.22), July 53.60-53.75, Aug. 54.50, Dec. 57.50, Feb. 58.50, April 57.70, June 59.50.

‡‡Maize—May 370-371 (370¼), July 382½-382 (381¾), Sept. 391-390, Dec. 396-395, March 405½, May 410½.

Pork Bellies—May 60.00-59.75 (58.95), July 61.30-61.15 (60.07), Aug. 60.35-60.85, Feb. 74.00, March 73.90, May 75.25, July 76.25.

†Soyabeans—May 811-810 (803½), July 837-836 (830¼), Aug. 845, Sept. 853-854, Nov. 867-865, Jan. 885, March 906, May 920½.

‖Soyabean Meal—May 230.5-231.5 (230.1), July 239.8-240.3 (238.7), Aug. 243.0-243.5, Sept. 246.3-246.8, Oct. 249.0-249.5, Dec. 252.5-253.0, Jan. 254.5-255.0, March 259.5-260.0, May 260.0-262.0.

Soyabean Oil — May 25.22-25.15 (25.11), July 26.00-25.95 (25.91), Aug. 26.30-26.35, Sept. 26.60, Oct. 26.90, Dec. 27.50-27.55, Jan. 27.70, March 28.30-28.35, May 28.80-28.85, July 29.30-29.35.

†Wheat—May 445½-445 (446¼), July 448½-448 (449¾), Sept. 463½-464, Dec. 487-487½, March 506.

WINNIPEG, April 9.

§Barley—May 148.80 (148.10), July 150.00 (143.20), Oct. 148.20, Dec. 148.20, March 147.50.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 257.12 (256.77).

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq feet. ‡ Cents per dozen. †† $ per metric ton.

EUROPEAN MARKETS

ROTTERDAM, April 9.

Wheat—U.S. Two Dark Hard Winter 13.5 per cent April $211, May $210, June-July $208. U.S. No. Two Red Winter April-May $207, June $195, July $192. U.S. No. Two Northern Spring 14 per cent April $208.50, April-May $209, May $208, June $210, July $211, Aug. $212, Sept. $214, Oct. 219, Nov. $221.

Maize—U.S. No. Three Corn Yellow afloat $165, April $163.75, May $165.50, June $169, July-Sept. $175.50, Oct.-Dec. $180, Jan.-March $188.75.

Soyabeans—U.S. No. Two Yellow Gulfports April $319, May $322, June $326.75, July $330, Aug. $334, Sept. $337.50, Oct. $341, Nov. $342, Dec. 348.25, Jan. $353, Feb. 358.75, March $362.50.

Soyameal—44 per cent protein U.S. unloading $287 traded, afloat $282, April $278, June $282, April-Sept. $285, Nov.-March $305. Brazil Pellets afloat $295, mid March-mid-April $294, April-May $291, April-Sept. $296 sellers.

Sugar (FFr per tonne)—May 2,450-2,480, July 2,400-2,450, Aug. 2,330-2,335, Oct. 2,301-2,305, Nov. 2,290-2,315, Dec. 2,200-2,255, March 2,250-2,260, May 2,255-2,300. Sales at call: 10.

PARIS, April 9.

Cocoa (FFr per 100 kilos)—May 1,016-1,028, July 1,035-1,060, Sept. 1,080-1,090, Dec. 1,095-1,115, March 1,125-1,135, May 1,135-1,150. Sales at call:

INDICES

FINANCIAL TIMES

April 9	April 8	Month ago	Year ago
253.46	252.49	257.16	28. 288

(Base: July 1, 1952=100).

MOODY'S

April 9	April 8	Month ago	Year ago
1123.7	1124.0	1119.2	1140.7

(December 31, 1931=100)

DOW JONES

Dow Jones	April 9	April 8	Month ago	Year ago
Spot	414.74	415.44	414.94	419.71
Fut'rs	426.30	424.69	427.70	429.61

(Average 1924-25-26=100).

REUTERS

April 10	April 9	M'nth ago	Year ago
1698.2	1690.3	1719.5	1726.3

(Base: September 18, 1931=100)

Stock Exchange dealings

The list below, restricted mainly to equities to conserve space, has been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission. It shows prices at which business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange's Talisman checking system.

The prices are not in order of execution, but in ascending order which denotes the day's highest and lowest dealing price.

For those shares in which no business was recorded in Thursday's Official List, the latest recorded business done during the previous four business days is given with relevant dates appended. The number of bargains done on Thursday in each section is shown against the respective sub-headings. Unless otherwise indicated the shares are 25p fully-paid.

‡ Bargains at special prices. Δ Bargains done with a non-member or executed in overseas market. Φ Bargains done previous day. SA—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BANKS, DISCOUNT (1,220)

Alexanders Discount (£1) 250 1 3 7‡
Algemene Bank Nederland Nv (Fl.100) 55 (8/4)
Allen Harvey Ross (£1) 340
Allied Irish Banks Ld (Ir£0.25) 115
Ansbacher (Henry) Hldgs (5p) 17¼ ½‡ 5
Arbuthnot Latham (£1) 258 60 5 8
Australia New Zealand (A$1) 244 5 7 8 9 50 2
Bank Leumi le-Israel 6 (8/4)
Bank Leumi (U.K.) 250 (6/4)
Bank of Ireland 230
Bank of Montreal (C$2) 11½
Bank New South Wales (Lon. Reg.) 174 7
Bank Scotland 340 1 2 3 4 5
Barclay Bank 403 3 5 7 8 9 10 12 3 4‡ 4 5 6 7 8 20 2 4‡
Brown Shipley Hldgs 385 (7/4)
Canadian Imp. Bank (C$2) 11½ (3/4)
Cater Ryder 338 32
Clive Discount Hldgs. (20p) 43
Commercial Bank Australia 135 90
Commercial Banking Sydney 207 (6/4)
Compagnie Fin De Paris 23
Deutsche Bank 62½
Gerrard and Nat. Discount 294 5 8
Gillett Bros Discount 278 (9/4)
Grindlays Hldgs 186 7 8 9‡ 91‡ 2
Guinness Peat 107 9 10 1 2‡
Hambros PLC 76 (3/4). Do (25p) 730 3 5 8. Do. A (£1) 42½ (6/4)
Hill Samuel Grp. 143 6 7
Hong Kong & Shanghai Banking Corp. (HK$2.50) 130 1 2 ½‡ 3 4 ½‡ 5‡
Jessel Toynbee 80 1 2 4
Joseph (Leopold) Hldgs (£1) 333 (6/4)
King & Shaxson (20p) 100 (6/4)
Kleinwort, Benson, Lonsdale 253 60
Lloyds Bank (£1) 345 6 7 8 50 1 2 3 4 5 7 8
Mercury Sec 227 9 30
Midland Bank (£1) 3 10 2 3 5 6 7 8 9‡ 9 20 1‡ 1 2 3 4
Minster Assets 26½ 7 ½ ½‡ 8‡ 8 ½ 9 ½‡ ½‡ ½
Morgan (J. P.) (US$2.50) 550½

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Advance Services (10p) 53½
Adwest Group 180 2½‡
Aero Needles Group 21
Aeronautical and Gen. Instruments 380
African Lakes Corp. 38 (3/4)
Airflow Streamlines 22 (6/4)
Albion (20p) 19
Alcan Aluminium 16½ (7/4)
Alcan Aluminium (U.K.) (£1) 112
Alexanders Hldgs (10p) 12½
Allebone and Sons (10p) 25 ½ 6
Allen (W. G.) Sons (Tipton) 510
Allied Colloids Group (10p) 128 30 1
Allied Plant Group (10p) 31½ (7/4)
Allied Textile Companies 145 6
Alpine Hldgs. (5p) 78‡ 8 9

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Birmid Qualcast 24½ 5 ½‡ ½ 6
Birmingham Mint 230 2
Birmingham Pallet Gp. (10p) 46½ (3/4)
Bishop's Stores 160. A Non-vtg. 106 7 8 10
Black Edgington (50p) 53 ½‡ 4 5 7
Black Arrow Gp. (50p) 23
Black (P.) Hldgs. 122
Blackwood Hodge 41 2½ 3 ½ 4 ½‡
Blackwood Morton (Hldgs.) 11 (8/4)
Blagden Noakes (Hldgs.) 98
Blockleys (20p) 112
Blue Circle Industs. (£1) 414 6 7 8 9 20 2
Bluebird Confectionery Hldgs. 62 (8/4)

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Dewhurst (J.) (Holdings) (10p) 80
Dewhurst Partner (10p) 11. A NV (10p) 11
Dewhurst Dent (20p) 12½
Diamond Shamrock (10p) 12 (6/4)
Dickinson Robinson Group 97 8 9
Dinkie Heel (5p) 12½ 3½
Diploma (10p) 187 8
Dixon (D.) Son Holdings 130½ 3 4½‡ 5½‡ 6½‡
Dixons Photo. (10p) 152 3 4 5 6‡ 6
Dixor-Strand (5p) 15 6
Dobson Park Industries (10p) 111½ 2½ 3‡ 3 ½‡ ½ 4 5
Dom Holdings (10p) 70
Doreda Holdings 60 30 1 2½
Douglas (R. M.) Holdings 92 3 4
Dowding Mills (10p) 24½ 5½ 6
Downiebrae Holdings (10p) 19
Downing (G. H.) (50p) 131 2 5 7
Downs Surgical (10p) 24½
Dowty Group (50p) 265 6 7 8 9‡ 9 71 5‡
Drake Scull Hldgs (1p) 34 ½ 5 ½
Dreamland Electrical Appl. (10p) 22 ¾ 3½‡ 4 5
Dubilier (5p) 53 ½ 4 ½ 5‡
Ductile Steels 51 4
Dufay Bitumastic (10p) 36
Duncan (Walter) Goodricke (£1) 510
Dundonian (20p) 63 4 ½
Dunhill (Alfred) (10p) 220
Dunlop Hldgs. (50p) 67 8 ½ 9 ½
Duple Intnl. 57
Duport 9½ 10½‡ ½
Durapipe Intnl. 27‡
Dwek Grp. (10p) 10 1
Dyson (J. and J.) 36 (6/4). Non-vtg. A 27 8 ½

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Glaxo Hldgs. (50p) 318 9 20 1 2 3 ¼ 4
Gleeson (M. J.) (Constructors) (10p) 87 9 90 1 2‡
Glossop (W. & J.) 45 (8/4)
Glynwed 101‡ 1 ½ 2 ½ 3‡ 3 ½‡ ½ 4‡ 4 ½‡ ½ 5
Gnome Photographic Products (10p) 36 (7/4)
Goldberg (A.) & Sons 66 8
Goldman (H.) Grp. (10p) 43 4 ½‡ ½
Gomme Hldgs. 34 5½
Goodkind (W.) Sons 42 3 (7/4)
Goodman Bros. & Stockman (5p) 10 (3/4)
Goodwin (R.) & Sons (Engineers) (10p) 10½ (8/4)
Gordon & Gotch Hldgs. 157‡ 8 60
Gordon (Luis) Gp. (10p) 34 6 (8/4)
Grampian Hldgs. 61 2 3
Grampian Television A (10p) 39 (8/4)
Granada Grp. 228 9‡ 9 30 1
Grand Metropolitan (50p) 194 5 ½ 6 ½ 7 8‡ 8 9
Grant Bros. 105 (6/4)
Grattan Warehouses 84 5 6‡ 6 ½ 7‡ ¼ 8
Gt. Universal Stores 485. A 472 3 4 5 6 7 8 80 2 8‡
Greaterman Stores 430. A 450
Greenbank Indust. Hldgs. (10p) 27½ 8‡ 8 ½ 9½
Greenfields Leisure (10p) 43½ 4‡ ½‡ 5 ½
Green's Economiser Grp. 120 1 2 3 5 7‡
Grimshawe Hldgs. (20p) 30 2 ¼
Gripperods Hldgs. (10p) 158 8
Group Lotus Car (10p) 19
Grovebell Grp. (5p) 7½
Guest Keen Nettlefolds 145½ 6 7 8‡ 8 50

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Jones (E) (Jewellers) (10p) 100 2
Jones Stroud 58
Jourdan (T.) (10p) 82
Kalamazoo (10p) 66
Kean and Scott 49 50½
Kelsey Industries 156 65
Kennedy Smale (10p) 118
Kenning Motor Group 76 7 8
Kent (M. P.) (10p) 139 40 1 2 3½‡
Kershaw (A.) Sons (5p) 309 12 (7/4)
Kitchen (Robert) Taylor (10p) 148 50 2
Kleen-E-Ze Hldgs. 82 6 (8/4)
Kode Intnl 325 35
Kraft Productions (10p) 15

...

Upton (E.) 30. A Non-V 27 (8/4)
Usher-Walker (10p) 44
Utico Hldgs. (R1) 117 (7/4)
Valor 54 5 6 ½‡
Vantona Grp. (20p) 114 6
Vectis Stone 53 (6/4)
Vibroplant Hldgs. 245
Vickers Ord. (£1) 171 2 3 4 5‡ 5 6‡ 6
Victor Prods. (Wallsend) 138 43
Viners Ord (10p) 12 ½ ¾ (6/4)

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C.S.C. Inv. Tst. 123 (3/4)
Cambrian & Gen. Sec. 113 (7/4)
Canadian & Foreign Inv. Tst. 143½
Capital & Nat. Tst. 167½. B 152 3 4 (3/4)
Cardinal Inv. Tst. Dfd. 145 7⁄16 ¾ 7
Carliol Inv. Tst. 1 (6/4)
Cedar Inv. Tst. PLC 94 (8/4)
Channel Islands & Inter Inv. Tst. Cap Shs £1 219 (8/4)

BASE LENDING RATES

A.B.N. Bank	12 %	■ Guinness Mahon	12 %
Allied Irish Bk.	12 %	■ Hambros Bank	12 %
American Express Bk.	12 %	Heritable & Gen. Trust	12 %
Amro Bank	12 %	■ Hill Samuel	§12 %
Henry Ansbacher	12 %	C. Hoare & Co.	†12 %
AP Bank Ltd.	12 %	Hongkong & Shanghai	12 %
■ Arbuthnot Latham	12 %	Keyser Ullmann	12 %
Associates Cap. Corp.	12 %	Knowsley & Co. Ltd.	14 %
Banco de Bilbao	12 %	Langris Trust Ltd.	12 %
BCCI	12 %	Lloyds Bank	12 %
Bank of Cyprus	12 %	Mallinhall Limited	12 %
Bank of N.S.W.	12 %	Edward Manson & Co.	13 %
Banque Belge Ltd.	12 %	Midland Bank	12 %
Banque du Rhone et de la Tamise S.A.	12½ %	■ Samuel Montagu	12 %
Barclays Bank	12 %	■ Morgan Grenfell	12 %
Beneficial Trust Ltd.	13 %	National Westminster	12 %
Bremar Holdings Ltd.	13 %	Norwich General Trust	12 %
Brit. Bank of Mid. East	12 %	P. S. Refson & Co.	12 %
■ Brown Shipley	12½ %	Ryl. Bk. Canada (Ldn.)	12 %
Canada Perm't Trust	13 %	Slavenburg's Bank	12 %
Cayzer Ltd.	12 %	E. S. Schwab	13 %
Cedar Holdings	12 %	Standard Chartered	‖12 %
■ Charterhouse Japhet	12 %	Trade Dev. Bank	12 %
Choulartons	12 %	Trustee Savings Bank	12 %
C. E. Coates	12 %	TCB Ltd.	12 %
Consolidated Credits	12 %	United Bank of Kuwait	12 %
Co-operative Bank	*12 %	Whiteaway Laidlaw	12½ %
Corinthian Secs.	12 %	Williams & Glyn's	12 %
The Cyprus Popular Bk.	12 %	Wintrust Secs. Ltd.	12 %
Duncan Lawrie	12 %	Yorkshire Bank	12 %
Eagil Trust	12 %		
E. T. Trust Limited	12 %		
First Nat. Fin. Corp.	14½ %		
First Nat. Secs. Ltd.	14½ %		
Robert Fraser	12 %		
Antony Gibbs	12 %		
Greyhound Guaranty	12 %		
Grindlays Bank	‡12 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 9%, 1-month 9¾%. Short term £4,000/12 months 11.65%.
† 7-day deposits on sums of £10,000 and under 9%, up to £50,000 9¾%, and over £50,000 10½%.
‡ Call deposits £1,000 and over 9%.
§ Demand deposits 9½%.
‖ 21-day deposits over £1,000 10½%.

LONDON TRADED OPTIONS

(April 10 Total contracts 1415)

Option	Ex'rcise price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	330	48	3	—	—	—	—	376p
BP	360	18	10	42	—	50	—	"
BP	390	4	10	20	—	32	—	"
BP	460	½	2	5	—	—	—	"
Com. Union	160	14	21	22	1	27	—	171p
Com. Union	180	4	10	11	24	18	5	"
Cons. Gold	460	22	7	53	—	73	—	481p
Cons. Gold	488	10	19	—	—	—	—	"
Cons. Gold	500	—	—	35	2	45	1	"
Cons. Gold	550	—	—	15	6	25	—	"
Cons. Gold	588	¼	—	6	7	—	—	"
Courtaulds	50	18	23	18	—	22½	—	67p
Courtaulds	60	8	21	11	25	14	4	"
Courtaulds	70	2	16	5½	51	8½	7	"
GEC	460	230	1	—	—	—	—	680p
GEC	550	140	—	157	—	175	1	"
GEC	600	90	1	107	10	125	10	"
GEC	650	40	45	62	3	83	—	"
GEC	700	7	9	30	21	60	10	"
Grand Met.	180	19	10	27	42	—	—	199p
Grand Met.	200	3½	21	15	18	19½	49	"
ICI	240	28	1	42	—	52	7	265p
ICI	260	10	69	26	2	36	1	"
ICI	280	2	—	15	47	24	—	"
ICI	300	½	5	6	11	15	20	"
ICI	330	½	1	2½	—	—	—	"
Land Sec.	390	35	1	47	2	64	—	424p
Land Sec.	420	9	12	29	4	44	—	"
Land Sec.	460	1	—	13	23	24	11	"
Marks & Sp.	100	39	3	33	—	—	—	128p
Marks & Sp.	110	19	6	23	—	28	1	"
Marks & Sp.	120	9½	10	16	36	19	—	"
Marks & Sp.	130	3	1	8½	22	13	—	"
Shell	360	12	5	34	10	46	1	366p
Shell	390	2	—	17	1	30	—	"
Shell	420	¼	—	6	6	14	2	"
Totals			345		373		128	
		May		August		November		
Barclays B'k	360	67	1	72	—	80	—	423p
Barclays B'k	390	37	4	50	—	66	—	"
Barclays B'k	420	10	32	33	2	40	—	"
Barclays B'k	460	2	—	13	45	—	—	"
Imperial Gp.	70	6	50	9	1	10	—	75p
Lasmo	600	10	1	28	—	50	9	562p
Lasmo	650	5	18	20	2	32	3	"
Lasmo	700	3	9	14	—	20	5	"
Lasmo	800	¼	—	3	4	—	—	"
Lonrho	90	8	15	15	—	17	—	94p
Lonrho	100	4	2	8½	16	12	—	"
Lonrho	110	½	75	5½	18	7½	111	"
Lonrho	120	¼	—	2½	8	—	—	"
P. & O.	110	44½	5	45½	—	—	—	154p
P. & O.	120	34½	1	36½	—	40	—	"
P. & O.	130	24½	16	28½	—	33½	—	"
P. & O.	140	16	38	21½	5	26½	—	"
P. & O.	160	6	13	11	14	15	2	"
Racal Elec.	300	82	1	90	—	—	—	378p
RTZ	414	67	2	—	—	—	—	476p
RTZ	454	33	17	—	—	—	—	"
RTZ	460	—	—	50	12	70	—	"
RTZ	494	9	4	—	—	—	—	"
RTZ	500	—	—	30	11	50	—	"
Totals			304		137		130	

Council staff consider closed shop withdrawal

BY PAULINE CLARK, LABOUR STAFF

THE CONTROVERSY over union membership among employees of Sandwell Council in the West Midlands seems set to intensify next week when members of the council's biggest staff union will meet to discuss a call for withdrawal from their closed shop agreement.

The National and Local Government Officers Association said yesterday a special general meeting had been called for next Wednesday to vote on a motion calling on the union's Sandwell branch to withdraw from the closed shop agreement and to ask for the reinstatement of any former employee dismissed as a result of its provisions.

The Sandwell council closed shop agreement became a matter of national public debate two months ago when Ms Joanna Harris, a poultry inspector employed by the council, was dismissed because she refused to join a union.

Mr. Eric Faux, NALGO branch secretary, said yesterday that 30 members of the union's 3,500-strong town hall branch had requisitioned the meeting in accordance with branch rules.

Any vote taken on the motion could produce a narow result in the light of previous votes taken on the issue over the past two years, he said. The decision last August by the branch to become party to the agreement was the result of only a 130 majority vote in favour.

Mr. Faux warned, however, that even if the branch reversed the decision at next Wednesday's meeting, it would not necessarily mean the end of the agreement and employees of the council who had still not agreed to join a union would be in no better position.

Although NALGO is by far the biggest representative of Sandwell town hall staff, it is only one of four unions who are party to the agreement with the Labour-controlled council.

Mr. Alan Clarke, branch organiser for members of the National Union of Public Employees working for the council said he was "confident" that even if NALGO pulled out, the other unions would be opposed to ending the agreement although such a decision could create problems for union organisation in Sandwell.

He added that the closed shop agreement would also still exist for Sandwell council's 5,000 to 6,000 manual workers who were not represented by NALGO.

Mrs. Vera Jones, Sandwell councillor and chairman of the West Midlands branch of the Freedom Association which has organised public opposition to the council's closed shop, said she was "delighted" with the decision to call a special NALGO meeting.

"NALGO officers engineered this closed shop," she said. The union's members had thrown out the closed shop in 1979 and she hoped this would be repeated at the Wednesday meeting.

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of price changes	Thursday's closing price pence	Day's change	Stock	No. of price changes	Thursday's closing price pence	Day's change
Carless Capel	34	145	+15	Barclays Bank	19	420	+15
Rothmans Intl.	27	81	+ 3	GKN	19	158	+11
Stlg. Cr. SpcPf.	25	180	+25	NCC Energy	19	125	—
Bowater	24	280	+10	Premier Consd.	18	31½	− 2½
Tanks Con.	24	360	+20	Brit. Aerospace	17	210	+ 8
KCA Intl.	21	184	− 2	British Sugar	16	310	—
Royal Bk. Scot.	20	166	− 7	RTZ	16	487	+20

5-DAY ACTIVE STOCKS

Based on bargains over the five-day period ending Thursday

Stock	No. of price changes	Thurs. closing price pence	Change on week	Stock	No. of price changes	Thurs. closing price pence	Change on week
Royal Bk. Scot.	165	166	+29	KCA	101	184	−21
Shell Transport	135	366	−10	LASMO	99	550	−33
GEC	133	680	−13	BP	98	378	−12
Rothmans Intl.	127	81	+19	Carless Capel	94	146	+ 8
Br. Aero. 'new'	119	210	+ 4	ICL	86	53	+ 9
ICI	118	264	+ 6	Plessey	84	335	—
Imp. Cont. Gas	113	218	− 4	BICC	84	259	+11

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هكذا من الأصل

Charter Trst & Agency 71 (8/4)
Child Health Research Inv. Tst. (£1) 168 9
City & Commercial Inv. Tst. 35 ½. Cap. Shs. (£1) 266 7 9
City & Foreign Inv. 85
City of Oxford Inv. Tst. PLC 408
Claverhouse Inv. Tst. (50p) 132
Colonial Sec. Tst. (5p) 51 ½ (7/4)
Construction Hldgs. (20p) 183 (8/4)
Continental & Ind. Tst. 279 8 1 3
Continental Union Tst. 153
Crescent Japan Inv. Tst. (50p) 288 9 90 1
Crossfriars Tst. 116 ½ (7/4)
Cystic Fibrosis Research Inv. Tst. PLC 110 (8/4)
Danae Inv. Tst. Inc. Shs. (50p) 39½ (7/4). Cap. Shs. (10p) 5½. Wts. to Sub. for 1 Inc. & 1 Cap. 7½ (8/4)
Delta Inv. (Ba$1) 200 (8/4)
Derby Tst. Inc. Shs. (£1) 280. Cap Shs (50p) 340 1 4
Dominion Gen. Tst. 248
Drayton Consd. Tst. 174 5
Drayton Far Eastern 80 1½ 1
Dualvest (50p) 76 (8/4). Do. Cap. Shs. 437 44
Dundee and London Invst. Tst. 87
Edinburgh American Assets 96½ 7 8
Edinburgh Invst. Tst. 67 8½ 9 ½
Electric and Gen. Invst. 118 ½
English and International Tst. 119
English and New York 89½
English and Scottish Investors 69½ 70 (8/4). Do. B 67
Equity Consort Invst. Tst. 144. Dfd. (50p) 229 30
Equity Income Tst. (50p) 277
Estate Duties Invst. Tst. 85
External Invst. Tst. 255½ (8/3)
F. and C. Eurotrust 53
[illegible]

Romney Trust 116
Rosedimond Investment Trust PLC 64. Cap. 136
Safeguard Industrial Investments 103 (8/4)
St. Andrew Trust 148 ½
Save and Prosper Linked Inv. Trust (10p) 211. Cap. (10p) 114 5
Scottish American Investment (50p) 146½ 7 8 ½ 9
Scottish and Mercantile Investment A 205
Scottish Cities A 260 (7/4)
Scottish Eastern 79 ½ 80 ½
Scottish European 41 2½
Scottish Inv. 136 ½ 7½ 8 ½ 9½ 40
Scottish Mortgage Trust PLC 155 4 6
Scottish National 217 9
Scottish Northern 114 ½ 5
Scottish Ontario 75½ 6½
Scottish United Investors 58 ½. New 57½ 8 ½ 9
Second Alliance 217 20 1
Securities Trust Scotland 104½ 5
Shires Inv. (50p) 148
Sphere 157 ½
Sterling Trust 215 6 8
Stockholders 155
Technology 146 ½ 7 8 (8/4)
Temple Bar 125 6 ½
Throgmorton Secured Growth 27½
Throgmorton Tst. 118 ½ 9 20
Tor Inv. 108½ (8/4). Cap. 179 (8/4)
Trans-Oceanic 239
Tribune Invest. Tst. 98
Triplevest Inc.Shs. (50p) 64 ½. Cap.Shs. (£1) 375 6 7
Trust Prop. Shares (5p) 18½ ½0 ½0
Trust Union 77½ (8/4)
Trustees Corp. 75 ½ 6½ 7
United British Secs. Tst. 163 4 ½ 5
United States Gen. Tst. Cpn. 260
United States Debenture Cpn. 112 3 ½ 4
[illegible]

UNIT TRUSTS (16)

[illegible]

MINES—Miscellaneous (450)

[illegible]

Wankie Colliery Co. (50p) 48 50 1
Western Mining Corp. Holdings (A$0.50) 290 1 2 3 4 5 6 8
Zambia Copper Investments (Bd.$0.24) 28 9 ½ 30½

MINES—South African (159)

Anglo American S. Africa (R0.10) 655 6 7 82 5
Anglo American Gold (R1) 380 390½
Blyvooruitzicht Gold (R0.25) 695 717 25
Bracken (R0.90) 143 55
Buffelsfontein Gold (R1) 545¼ 546½ (7/4)
Cons. Murchison (R0.10) 225 30 5 47 50 (8/4)
Coronation Syndicate (R0.25) 144
Deelkraal Gold (R0.20) 204 (8/4)
Doornfontein Gold (R1) 935
Durban Roodepoort Deep (R1) $24
East Daggafontein (R1) $2.530
East Driefontein Gold (R1) 12½
East Rand Cons. (10p) 26 ¼ 7½ 7 ¼ ½
East Rand Gold (R0.50) 425 33
East Rand Proprietary (R1) $17½ $18
Eastern Transvaal (R0.50) 500
Elandsrand Gold (R0.20) 257
Elsburg Gold (R1) 194 5 204 5
Free State Dev. (R0.50) 275 (8/4)
Free State Geduld (R0.50) 21.9 (8/4)
Free State Saaiplaas Gold (R1) 300 (8/4)
General Mining (R0.40) 830 50
Gold Fields S. Africa (R0.25) $71½
Gold Fields Property (R0.025) 84 5½
Griqualand Exploration (R0.05) 50 6 (3/4)
Grootvlei Proprietary (R0.25) 405
Harmony Gold (R0.50) 740 52 75 80 90
Hartebeestfontein Gold (R1) $62 (7/4)
[illegible]

OIL (1,268)

[illegible]

PROPERTY (705)

[illegible]

Laing Props. 205. A 208 10 1
Land Investors 65 ½ (7/4)
Land Secs. Inv. Trust (50p) 419 20 1 2 3
Law Land (20p) 92½ 3 ½ ½ 4
London Provl. Shop Centres (10p) 447
London Shop Prop. Trust 133 5
Lynton Hldgs. (20p) 306 10
MEPC 238 9 40 2
McKay Securities (20p) 141. Cap. (20p) 142 (7/4)
Marlborough Prop. Hldgs. (5p) 53
Marler Estates 80 1 1 2 3 4
Mountleigh Group 100
Mountview Ests. (5p) 193 5 7
Muckiow (A. and J.) Group 117 22 3
New Cavendish Ests. (5p) 280
North British Props. 200 1
Peachey Prop. Corp. 155 6 7 8. New 155
Phoenix Mining and Finance 68 9 ½ 70 1 2 ½ 3 ½ 4 ½ 5 ½ 6 7
Property and Reversionary Inv. Corp. 176
Property Hldg. and Inv. Trust 166 ½ (8/4)
Property Partnerships 267 (8/4)
Property Security Inv. Trust 206 (8/4)
Raglan Prop. Trust (1p) 14½ ¼ ½ 5 ¼
Regalian Props. 31 (8/4)
Regional Props. 177 8. A 178
Rosehaugh (10p) 300 2 4 4. New (10p) 320 (7/4)
Rush and Tompkins Group 242 3 4
Samuel Props 125 6
Scottish Metropolitan Prop. (20p) 124 5 6
Second City Props. (10p) 69 ½ 70 ½
Slough Ests. 145 ½ 6 7 3
Stock Conversion and Inv. Trust 360 2 3
Town and City Props. (10p) 30½ 7 ¾ 1
[illegible]

PLANTATIONS (185)

[illegible]

RAILWAYS (7)

[illegible]

SHIPPING (221)

[illegible]

UTILITIES (82)

[illegible]

UNLISTED SECURITIES MARKET (192)

[illegible]

RULE 163 (1) (e)

Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange.

[illegible]

RULE 163 (2) (a)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

[illegible]

Bargains marked for approved companies engaged solely in mineral exploration.

[illegible]

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Knowsley (051-548 6555)	12¼	½-year	1,000	1-2
Redbridge (01-478 3020)	13¼	½-year	200	6

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn share %	*Term shares %
Abbey National	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Aid to Thrift	9.65	10.15	—	—
Alliance	8.25	8.75	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs., 9.00 2 yrs., 8.75 1-yr.
Anglia Hastings and Thanet	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Bradford and Bingley	8.25	8.50	9.75	9.25 1 mth. notice deposit
Bridgwater	8.25	8.50	10.00	10.50 5 yrs., 9.60 2½ yrs.
Bristol Economic	9.00	9.25	10.50	10.00 3 months. Escalator shares 9.75-11.25 (1-5 years)
Britannia	8.25	8.50	9.75	10.00 4 yrs., 9.50 3 months not.
Burnley	†8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Cardiff	9.00	10.25	11.25	—
Catholic	9.00	9.50	10.50	— Share a/cs 9.70 over £5,000
Chelsea	8.25	8.50	9.75	10.50 5 yrs., 9.90 1 yr., 9.55 6 months.
Cheltenham and Gloucester	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Cheltenham and Gloucester	—	9.50	—	— Premium shares including 1.00 bonus p.a. (£15,000 or £20,000)
Citizens Regency	—	8.75	10.00	10.75 5 yrs., 9.75 3 yrs., 9.25 1 yr.
City of London (The)	8.50	8.75	9.60	9.41 9 mth. withdraw, increment sh.
Coventry Economic	8.25	8.50	9.75	10.00 4 yrs., 9.50 3 yrs., 9.25 3 mths.
Coventry Provident	8.25	8.50	10.50	10.55 av. 5 yr., 10.00 4 yr., 9.25 3 mths.
Derbyshire	9.00	9.25	10.50	8.75 to 9.25 3 months
Ealing and Acton	9.00	9.75	—	10.40 2 yrs., £2,000 minimum
Gateway	8.25	8.50	9.75	8.75 (6 mths.) rising to 10.50 (5 yrs.)
Greenwich	—	9.50	10.75	11.50 5 yrs., 11.00 4 yrs., 10.50 3 yrs.
Guardian	9.00	9.50	—	11.00 6 mth., 10.50 3 mth., min. £1,000
Halifax	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Heart of England	8.25	8.50	9.75	— 3 mths. notice 9.25, 5 yrs. 10.50
Hearts of Oak and Enfield	8.25	8.75	10.25	10.00 4 yrs., 9.75 3 yrs., 9.50 2 yrs.
Hendon	8.75	9.25	—	10.25 6 mths., 10.00 3 mths.
Huddersfield and Bradford	8.25	8.50	9.25	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs., 9.00 2 yrs.
Lambeth	9.00	9.50	11.25	11.25 5 yrs., 11.00 6 months' notice
Leamington Spa	8.35	8.60	11.50	10.10 (1 year)
Leeds Permanent	8.25	8.50	9.75	10.50 5 yrs., Optns. fm. 8.75 (6 mths.)
Leicester	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Liverpool	9.00	9.25	10.70	11.25 5 yrs., minimum £1,000
London Grosvenor	8.75	9.75	11.00	10.25 6 months' notice
Melton Mowbray	9.10	9.35	10.50	10.85 4 yrs., 10.10 2 yrs.
Mornington	—	9.60	—	—
National Counties	9.25	9.55	10.55	10.25 35 days' notice min. dep. £500. 6 mths. 10.65
Nationwide	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.00 1 yr.
New Cross	9.00	9.25	—	9.25-10.00 on share accs., depending on min. balance over 6 mths.
Northern Rock	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Norwich	9.00	9.25	10.75	10.25 3 yrs., 10.00 2 yrs., min. £500
Peckham Mutual	9.25	9.55	—	—
Peckham Permanent	9.00	9.75	11.00	—
Portman	8.25	8.50	9.75	10.50 5 yrs., 9.55 6 mths. notice
Portsmouth	8.60	8.80	10.30	10.85 (5 yrs.) 10.25 (6 mths.)
Property Owners	9.25	9.75	11.20	11.25 4 yrs., 11.00 6 mths., 10.50 3 mths.
Provincial	8.25	8.50	9.75	9.50 5, 4, 3 yrs., 9.00 2 yrs.
Skipton	9.00	9.25	10.50	11.25 5 yrs., 10.35 wdl. 1 mth. loss int.
Sussex County	9.25	9.50	11.30	11.30 5 yrs., 10.94 4 yrs., 10.50 3 yrs.
Sussex Mutual	9.25	9.80	11.25	10.00 11.25 all with special options
Town and Country	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Walthamstow	9.00	9.50	10.50	10.50 6 months' notice, min. £1,000
Wessex	8.50	9.25	—	10.25 min. 3 yrs., 6 mth. notice of wdl
Woolwich	8.25	8.50	9.75	10.50 5 yrs., 8.75 6 mths.

* Rates normally variable in line with changes in ordinary share rates. † Effective from May 1. All these rates are after basic rate tax liability has been settled on behalf of the investor.

UK MONEY MARKET

Bank of England Minimum Lending Rate 12 per cent (from March 10, 1981)

The Treasury bill rate fell by 0.0784 per cent at yesterday's tender to 11.3492 per cent, and the minimum accepted bid rose to £97.17 from £97.15. Bids at that level were met as to about 99 per cent and above in full. The £100m of bills on offer attracted bids of £464.20m, and all bills offered were allotted. Next week a further £100m of bills will be on offer, replacing a similar amount of maturities.

Day-to-day credit was in very short supply in the London money market yesterday, and the authorities gave assistance on an exceptionally large scale. This comprised small purchases of Treasury bills and local authority bills, and an exceptionally large amount of eligible bank bills, all direct from discount houses. The market was faced with the call on Treasury 12 per cent 1986, and a moderate increase in the note circulation. In addition banks brought forward balances a large way below target and there was a small amount of commercial bills maturing in official hands. On the other hand Government disbursements exceeded revenue transfers to the Exchequer by a large amount.

In the interbank market weekend money opened at 12-12¼ per cent and touched 12½-12¾ per cent before falling away during the afternoon to 5 per cent.

EXCHANGES AND BULLION

The dollar was firmer in currency markets yesterday, in predominantly thin trading, underpinned by rises in U.S. prime rates to 17½ per cent from 17 per cent. Euro-dollar rates were also firmer by up to a quarter of a point, and after the close of business in London, the U.S. unit continued to improve in New York. Against the D-mark it closed at DM 2.1530 compared with DM 2.1405 on Thursday, and SwFr 1.9640 against SwFr 1.9510. The dollar was also firmer against the Japanese yen, finishing at Y215.10 from Y213.90 previously. On Bank of England figures, the dollar's trade weighted index rose from 101.4 to 101.5.

Sterling remained on the side-lines for most of the day, finishing unchanged on a trade weighted basis with its index at 99.2, [illegible] after 99.3 in the morning. [illegible] and [illegible] $2.1825 before [illegible] $2.18. During the afternoon however, renewed dollar [illegible] the pound fall to a low of $2.1790 before [illegible] to close at $2.1815-2.1825 [illegible] from Thursday's close. Against the D-mark it was unchanged at DM 4.70 but eased slightly in terms of the French franc to FFr 11.0850 from FFr 11.1050.

Gold [illegible] in the London bullion market to close at $491-494, a loss on the week of $21.

THE POUND SPOT AND FORWARD

April 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.1790-2.1990	2.1815-2.1825	0.65-0.75c dis	−3.68	2.00-2.10dis	−3.59
Canada	2.5800-2.5960	2.5860-2.5870	1.00-1.10c dis	−4.87	3.15-3.30dis	−4.99
Nethlnd.	5.18-5.22	5.20-5.21	1¼-¼c pm	1.73	2¾-1⅞ pm	1.63
Belgium	76.60-77.00	76.80-76.90	50-60c dis	−8.59	100-115 dis	−5.60
Denmark	14.73-14.80	14.73½-14.74½	1⅞-3⅞ore dis	−2.19	8¾-10½ dis	−2.61
Ireland	1.2820-1.2905	1.2860-1.2875	0.26-0.39p dis	−3.03	0.90-1.04dis	−3.02
W. Ger.	4.67½-4.71½	4.69½-4.70½	¼pf pm-½ dis	−0.64	½-⅝ dis	−0.32
Portugal	125.50-126.75	125.75-126.00	par-75c dis	−3.58	40-205 dis	−3.89
Spain	189.75-190.75	190.10-190.30	60-95c dis	−4.89	215-250 dis	−4.89
Italy	2,329-2,342	2,330-2,332	11½-13½ lire dis	−6.44	38¼-41¾ dis	−6.91
Norway	11.91-11.96	11.91-11.92	1⅞pm-⅛ore dis	0.76	2¼-⅞ dis	0.52
France	11.06-11.11	11.08-11.09	2½-3½c dis	−3.25	2¼-3¼ dis	−0.99
Sweden	10.17-10.23	10.17½-10.18½	2½-3ore dis	−3.24	9½-10½ dis	−3.86
Japan	466-474	469-470	2.25-1.95y pm	5.37	5.75-5.45 pm	4.77
Austria	33.15-33.30	33.18-33.23	4gro pm-1 dis	0.54	9 pm-1 dis	0.48
Switz.	4.27-4.30	4.28¼-4.29¼	1¾-¾c pm	3.50	3⅞-3⅜ pm	3.38

Belgian rate is for convertible francs. Financial franc 79.30-79.40. Six-month forward dollar 4.10-4.30c dis, 12-month 6.70-6.90c dis.

GOLD

	April 10		April 9	
Gold Bullion (fine ounce)				
Close	$491-494	(£224½-226½)	$497-500	(£225½-227)
Opening	$492-495	(£224½-226½)	$511-514	[illegible]
Morning fixing	$491	(£224.099)	[illegible]	(£233.204)
Afternoon fixing	$493.50	(£226.065)	$505	[illegible]
Gold Coins				
Krugerrand	$506½-507½	(£251½-252)	$513-514	[illegible]
1/2 Krugerrand	$261½-266½	(£119½-120)	[illegible]	[illegible]
1/4 Krugerrand	$133½-134½	(£61-61½)	[illegible]	[illegible]
1/10 Krugerrand	$56-57	(£25½-26)	[illegible]	[illegible]
Mapleleaf	$502-503	(£229½-230)	$504-509	[illegible]
New Sovereigns	$123-124	(£56½-56¾)	[illegible]	[illegible]
King Sovereigns	$144-146	(£66-67)	[illegible]	[illegible]
Victoria Sovs.	$144-146	(£66-67)	[illegible]	[illegible]
French 20s	$175-178	(£80½-81)	[illegible]	[illegible]
50 pesos Mexico	$610-615	(£278-280½)	[illegible]	[illegible]
100 Cor. Austria	$480-485	(£219-221½)	[illegible]	[illegible]
$20 Eagles	$612-617	(£279½-282)	[illegible]	[illegible]

EXCHANGE CROSS RATES

April 9	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.182	4.700	469.5	11.09	4.288	5.205	2331.	2.587	76.85
U.S. Dollar	0.458	1.	2.154	215.2	5.080	1.965	2.385	1068.	1.185	35.22
Deutschemark	0.213	0.464	1.	99.89	2.359	0.912	1.107	496.0	0.550	16.35
Japanese Yen 1,000	2.130	4.647	10.01	1000.	23.61	9.132	11.09	4965.	5.509	163.7
French Franc 10	0.902	1.968	4.240	423.5	10.	3.868	4.695	2103.	2.333	69.30
Swiss Franc	0.233	0.509	1.096	109.5	2.585	1.	1.214	543.7	0.603	17.92
Dutch Guilder	0.192	0.419	0.903	90.20	2.130	0.824	1.	447.8	0.497	14.76
Italian Lira 1,000	0.429	0.936	2.016	201.4	4.755	1.839	2.233	1000.	1.110	32.97
Canadian Dollar	0.387	0.844	1.817	181.5	4.286	1.658	2.012	901.2	1.	29.71
Belgian Franc 100	1.301	2.839	6.116	610.9	14.42	5.579	6.773	3033.	3.366	100.

FT LONDON INTERBANK FIXING (11.00 a.m. APRIL 10)

3 months U.S. dollars		6 months U.S. dollars	
bid 15 7/8	offer 16	bid 15 7/8	offer 16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

LONDON MONEY RATES

April 10 1981	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ф	Eligible Bank Bills ф	Fine Trade Bills ф
Overnight	—	5-12¾	11¾	—	—	12¼	6-12	—	—	—
2 days notice	—	—	12	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	12-12⅛	12⅛	—	12⅝	12⅝	11¾-12	—	—	—
One month	12⅛-12⅛	12⅛-12⅝	12⅛	13⅛-13	12⅝	12⅝	11¾-11⅞	11⅝-11⅜	11⅞-11⅞	12⅝
Two months	12¼-12⅛	12⅛-12⅛	—	13-12⅝	12⅝	12⅝	11¾	11⅝-11⅝	11¾-11⅝	12½
Three months	12¼-12⅛	12⅛-12⅜	12⅛-12	12⅞-12⅝	12⅝	12⅝	11⅝-11¾	11⅝-11⅝	11⅝	12¼
Six months	12⅛-11⅞	12-12⅛	11⅞-12⅛	12⅝-12⅛	12⅛	12⅝	—	—	11¼	11¾
Nine months	12⅛-11⅞	12-12⅛	—	12⅝-12⅛	12⅛	12⅝	—	—	—	—
One year	12⅛-11⅞	12-12⅛	12⅛-12¼	12¼-12	12⅛	12⅝	—	—	—	—
Two years	—	—	12½	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rates nominally three years 12¾ per cent; four years 13 per cent; five years 13⅛ per cent. ф Bank bill rates in table are buying rates for prime paper. Buying rates for four-months bank bills 11½-11⁹⁄₁₆ per cent; four-months trade bills 12¼ per cent.

Approximate selling rate for one-month Treasury bills 11²¹⁄₃₂-11⁷⁄₁₆ per cent; two-months 11⁵⁄₁₆-11⅜ per cent; three-months 11⁹⁄₃₂-11⁵⁄₁₆ per cent. Approximate selling rate for one-month bank bills 11²³⁄₃₂-11¹³⁄₁₆ per cent; two-months 11¹¹⁄₁₆ per cent; three-months 11⁹⁄₁₆ per cent; one-month trade bills 12⅝ per cent; two-months 12¼ per cent and three-months 12 per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 13 per cent from April 1, 1981. Clearing Bank Deposit Rates for sums at seven days' notice 9 per cent. Clearing Bank Rates for lending 12 per cent. Treasury Bills: Average tender rates of discount 11.3492 per cent.

CURRENCY MOVEMENTS

April 10	Bank of England Index	Morgan Guaranty Changes %
Sterling	99.2	−24.9
U.S. dollar	101.5	−2.1
Canadian dollar	85.5	−17.5
Austrian schilling	116.5	[illegible]
Belgian franc	107.7	−9.4
Danish kroner	[illegible]	−10.[illegible]
Deutsche mark	[illegible]	[illegible]
Swiss franc	[illegible]	[illegible]
Guilder	[illegible]	[illegible]
French franc	85.5	−9.5
Lira	55.4	−55.[illegible]
Yen	142.7	[illegible]

Based on trade weighted changes from Washington agreement December, 1971. Bank of England Index (base average 1975=100).

EURO-CURRENCY INTEREST RATES (Market closing Rates)

April 10	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
Short term	11¾-12	15⅛-15¾	16½-17½	9⅞-9⅞	6¾-7¼	11¼-11⅝	12⅛-12⅝	17-19	20-24	[illegible]
7 days' notice	11⅞-12⅛	15⅝-15⅞	16½-17½	9⅞-9⅞	6¼-6¾	11⅝-11⅞	12¼-12½	17½-19½	22-24	[illegible]
Month	12⅛-12¼	15¾-16	17¼-17⅝	10-10⅛	8⅛-8¼	12⅛-12⅛	12⅝-12⅞	18-19	21-23½	[illegible]
Three months	12⅛-12⅜	15¾-16	17-17⅜	10⅝-10⅞	8⅝-8¾	12⅝-12⅛	13-13¼	18½-19½	17½-19½	[illegible]
Six months	12⅛-12¼	15⅞-16⅛	16¼-16⅝	10¼-10⅝	8⅝-8⅝	12⅝-12⅛	13¼-13½	16½-19½	17-19½	[illegible]
One Year	12⅛-12¼	15⅛-15⅜	15⅛-15⅞	10⅛-10⅛	8⅛-8⅛	11⅞-12⅛	13⅝-15⅝	18½-19½	15-17	[illegible]

SDR linked deposits: one-month 12²³⁄₃₂-13⅛ per cent; three-months 13-13⅜ per cent; six-months 13-13⅜ per cent; one-year 12¾-13⅛ per cent.

ECU linked deposits: one-month 13-13⅜ per cent; three-months 13-13⅜ per cent; six-months 13-13⅜ per cent; one-year 12⅞-13⅛ per cent.

Asian $ (closing rates in Singapore): one-month 15¹¹⁄₁₆-15¹³⁄₁₆ per cent; three-months 15¹³⁄₁₆-15¹⁵⁄₁₆ per cent; six-months 15⅞-15⅞ per cent; one-year [illegible] per cent.

Long-term Eurodollar two-years 15-15¼ per cent; three-years 15-15¼ per cent; four-years 15-15¼ per cent; five-years 15-15¼ per cent nominal closing rates. Short-term rates are call for U.S. dollars, Canadian dollars and Japanese yen; others two-days' notice.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 15.65-15.75 per cent; three-months 15.65-15.75 per cent; six-months 15.60-15.70 per cent; one-year 15.00-15.10 per cent.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU: April 10	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	40.7985	41.5665	+1.88	+1.86	±1.5361
Danish Krone	7.91917	7.98304	+0.81	+0.79	±1.6373
German D-Mark	2.54502	2.53754	−0.29	−0.31	±1.1386
French Franc	5.99526	5.98669	−0.14	−0.16	±1.3638
Dutch Guilder	2.81318	2.81048	−0.10	−0.12	±1.5159
Irish Punt	0.685145	0.694664	+1.39	+1.37	±1.6688
Italian Lira	1262.92	1263.15	+0.02	—	±4.1116

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

April 9	£	$		£ Note Rates
Argentina Peso	6665-6685	3057-3067	Austria	33.05-33.40
Australia Dollar	1.8900-1.8940	0.8660-0.8665	Belgium	78.80-79.70
Brazil Cruzeiro	170.15-171.15	77.90-78.20	Denmark	14.70-14.85
Finland Markka	8.9585-8.9776	4.1125-4.1205	France	11.00-11.15
Greek Drachma	112.953-115.850	52.20-52.40	Germany	[illegible]
Hong Kong Dollar	11.69-11.70	5.3445-5.3475	Italy	[illegible]
Iran Rial	166.2*	75.40*	Japan	[illegible]
Kuwait Dinar (KD)	0.600-0.606	0.2750-0.2755	Netherlands	[illegible]
Luxembourg Fra.	76.80-76.90	35.22-35.24	Norway	[illegible]
Malaysia Dollar	5.035-5.045	2.3055-2.3065	Portugal	[illegible]
New Zealand Dlr.	2.4120-2.4170	1.1050-1.1060	Spain	[illegible]
Saudi Arab. Riyal	7.31-7.37	3.3500-3.3520	Sweden	[illegible]
Singapore Dollar	4.5875-4.5975	2.0990-2.1010	Switzerland	[illegible]
Sth African Rand	1.7610-1.7640	0.8070-0.8085	United States	[illegible]
U.A.E. Dirham	8.02-8.08	3.6720-3.6740	Yugoslavia	[illegible]

Rate given for Argentina is free rate. *Selling rate.

U.K. CONVERTIBLE STOCKS 11/4/81

Statistics provided by DATASTREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates♣	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Div.♡	Cheap(+) Dear(−)◊ Current
British Land 12pc Cv. 2002	9.71	340.00	333.3	80-97	3.5	0.4	−1.4	−5 to 0	18.3	85.6	19.5	+21.0
Hanson Trust 6½pc Cv. 88-93	3.02	142.00	57.1	76-82	4.6	0.7	−6.9	−8 to −0	7.1	3.1	−2.7	+4.3
Slough Estates 10pc Cv. 87-90	5.44	270.00	187.5	78-85	3.7	—	−1.4	−5 to 1	33.1	32.3	−0.3	+1.1
Slough Estates 8pc Cv. 91-94	24.86	132.00	78.0	80-91	6.2	4.3	15.9	7 to 16	30.5	48.6	15.7	−0.2

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. ♣ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

Upsurge in equities continues but leaders close well below day's best—British Funds better

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Mar. 30	Apr. 8	Apr. 9	Apr. 21
Apr. 10	Apr. 29	Apr. 30	May 11
May 1	May 14	May 15	May 26

* "New time" dealings may take place from 9 am two business days earlier.

The recent upsurge in London equity markets continued unabated yesterday. Fresh buying enthusiasm, based mainly on optimism about the prospects of economic recovery, prompted another strong advance which embraced most of the equity sectors.

The pace of the upward movement in leading shares slowed considerably, but aggressive demand for secondary issues was quickly reflected in enhanced values and double-figure gains were commonplace. Engineerings were again well to the fore and trading in this area was particularly active again. The overall strong performance was reflected in the FT-Actuaries All-Share index which improved further to a record high.

Leading issues were by no means left out of the picture, but interest petered out after an extremely firm and active morning trading session. As a result, sporadic profit-taking later in the day left most quotations well below the best. This was illustrated by the FT 30-share index which touched its highest of the day at noon with a rise of 6.5 before closing 1.5 up on balance at 551.3, or 7.3 below the May 1979 all-time peak. Yesterday's close represents a rise of 81.3 since the Budget. Late sentiment was affected by Hederwick Stirling Grumbar's failure to meet its financial obligations; the announcement that the firm had been hammered came well after the market's close.

British Funds closed an uninspiring week on a brighter note. The absence of a new tap issue yesterday and the gap between yesterday's call of £460m on Treasury 12 per cent 1986 and the next call, due May 1, on Index-linked Treasury 2 per cent, helped underlying sentiment. Occasional buying interest left medium and long-dated stocks up to ⅜ better, while short-dated issues also edged higher, the £15-paid tap, Treasury 11¾ per cent 1985, closing ⅛ dearer at 15.

Demand for Traded options was slightly reduced with 1,415 deals being arranged compared with Thursday's 1,854. The week's daily average amounted to 1,357.

British Aerospace touched a fresh peak of 213p before reverting to the overnight level of 210p.

Reliant Motor made a subdued debut in the Unlisted Securities Market; from an opening level of 5p, the shares drifted down to 4p. In contrast, **Metal Bulletin**, which made a bright start on Tuesday, came in for fresh support and gained 7 to 110p compared with the placing price of 84p.

Hopes of a bid from Britannia Arrow, which already owns a 12 per cent stake in the group, left **Minster Assets** a further 3 up at 92p. Buyers were reluctant to chase the major clearers higher after Thursday's buoyancy because of the pay dispute. **Lloyds** lost 4 to 352p.

Conditions in Buildings were quieter, but selected issues continued to improve. Comment on the preliminary results helped **Taylor Woodrow** to gain 8 to 578p, while **Feb International A** put on 9 for a two-day rise of 20 to 94p in response to the increased annual profits and proposed one-for-two scrip issue. Demand in a thin market lifted **R. M. Douglas** 12 to 106p, while **F. J. C. Lilley** gained 10 afresh to 157p and **Ruberoid** 6½ more to 93p xd on annual trading statements. **M.D.W.** added 6 to 105p following Press comment, while **H.A.T. Group** revived with a rise of 4 to 71p.

Trading volume in leading *Chemicals remained below par.* **ICI** closed 2 dearer at 266p, after 268p.

Newsagents strong

Early support for Store leaders petered out and most issues reverted to the overnight levels. **Waring and Gillow** spurted 20 to 170p, while a Press mention lifted **Vantona** 3 to 118p **Harris Queensway** were again in demand in front of annual results due during the current Account and the close was 8 better at 218p. Newsagents were *featured by* **Martin**, *18 up at* 238p, after 245p. **NSS** closed 10 up at 165p, while **John Menzies**, 335p, and **W. H. Smith**, 162p, added 8 and 5 respectively.

Plessey lost 7 on profit-taking to 328p but other Electrical leaders made fresh progress. Closing levels were well below the best though and **GEC**, after touching 690p, ended 5 better on balance at 685p, while **Thorn EMI** hardened 2 more to 374p, after 378p. Elsewhere, **Fidelity Radio** rose 6 more for a two-day jump of 11 at 40p on hopes that its new remote controlled £200 portable colour television will be a success. **Kode International** rose 12 to 330p and improvements of 10 and 11 respectively were seen in **Electrocomponents**, 725p, and **AB Electronic**, 114p.

The Engineering sector attracted renewed demand as buyers remained enthused by economic recovery hopes. Secondary issues were particularly favoured with **IMI** active and 6½ to the good at 72p following Press comment and **Davy Corporation** 9 better at 177p on bid hopes. Buying ahead of Tuesday's interim figures left **Martonair** 10 higher at 275p, after 278p, while **Richards (Leicester)** firmed 5 more to 53p xd and **Greens Economiser** put on 8 more to 130p following comment on their results. **B. Elliott** rose 14 to 190p while **A. Cohen**, 290p, and **Haden Carrier**, 288p, *rose 10 apiece.* **Brockhouse** appreciated 5 to 36p and **Benjamin Priest** 5½ to 42p. The leaders closed below the best. **GKN** held an improvement of 6 at 164p, after 167p, and ahead of annual figures, due on April 23, **Vickers** added 5 more to 179p. **Hawker** hardened a couple of pence to 334p ahead of Wednesday's preliminary results.

Leading Foods made further headway, but closing levels were below the best. **J. Sainsbury** ended 5 dearer at 415p, after 420p. Elsewhere, **British Sugar** eased 2 to 308p; **S. and W. Berisford** has stated that it has no immediate plans to renew its bid for the company. A speculative flurry lifted **Carr's Milling** 6 to 85p.

Denbyware jump

Bowater advanced 9 for a two-day jump of 19 at 269p following comment on the results and on the group's U.S. timber resources. Continuing hopes of a bid from a South African source saw **Turner and Newall** rise 4½ afresh to 100p, after 102p, while improvements of 10 and 13 respectively were seen in **Pilkington**, 315p, and **Reed International**, 248p. Elsewhere in miscellaneous industrials, **Denbyware** jumped 39 to 125p on news of the increased cash offer of 124p per share from Crown House, while **F. Wrighton** were marked up 11 to 75p, 2½ *below the terms offered by Greenbrook Securities.* **Scapa** put on 11 to 123p in response to Press comment and **Smiths Industries** added 14 to 349p on buying ahead of Tuesday's interim results. **Fothergill and Harvey** rose 6 to 128p on news of the proposed £2½m rights issue to help finance its acquisition of H. D. Symons for nearly £5m. Dry cleaning issues were again in demand on bid hopes. **Brengreen** added 5½ at 54p, while **Initial Services**, and **Johnson Group** both added 6 to the common level of 229p. **Alexander Russel** firmed 13 to 225p in a thin market and **Thomas Tilling** rose 9 to 179p. By way of contrast, **R. Kelvin Watson** came on offer at 87p, down 6.

Selected Leisure issues found support and **Ladbroke** gained 13 to 308p xd in a market short of stock.

Comment highlighting the company's recovery prospects lifted **Automotive Products** 7 to 63p. **Associated Engineering** rose 5 to 52p in sympathy. **Dowty**, 275p, and **Flight Refuelling**, 340p, improved 8 apiece. **Supra** added a couple of pence to 61p despite the reduced preliminary profits. Elsewhere in Motors, support was forthcoming for **ERF** which jumped 9 to 46p.

Newspapers, a subdued sector of late, attracted good support across the board and closed with gains ranging to double figures. *International Thomson jumped 16* to 280p, while **Liverpool Daily Post** closed 14 dearer at 130p. **Bristol Evening Post** added 5 to 203p.

After edging forward a few pence initially, leading Properties drifted off and closed little changed.

The managing director's optimism about onshore drilling prospects in Ireland coupled with news of the company's proposed shares split to five of 20p each stimulated demand for **Aran Energy** which gained 30 to 410p. **Marinex** put on 12 to 137p and **Eglington** *15 to 180p in sympathy.*

Investment Trusts firmed in line with equities, with the bigger gains recorded among Capital issues.

Plantations remained firm. **Hongkong (Selangor)** rose 25 more to 912p in the wake of the recent land sale, while **Bertam** added 4 to 95p. **Killinghall** picked up 10 to 600p, while **Malakoff** revived with a gain of 5 at 167p.

Golds decline

Mining markets ended the week on a *flat* note as the *bullion* price eased $6 more to $492.50—a fall on the wek of $31.

South African Golds were marked down at the outset in response to sizeable overnight American selling and drifted for the rest of the day despite attempts at a rally. The Gold Mines index dropped 12.2 to 335.5—23.9 lower over the five-day period.

In the heavyweights, losses ranged to a point as in **President Steyn**, £18, while medium and lower-priced issues showed **Doornfontein** 68 down at 868p and **Western Areas** 16 off at 274p.

In the London Financials, **Tanks** opened sharply higher at a 1981 peak of 371p, following heavy speculative buying in after-hours' trading on Thursday, but ran into profit-taking which pared the price to 360p at the close.

Rio Tinto-Zinc, also the subject of sizeable buying late on Thursday, were similarly affected and gave up 9 to 478p; the 1980 results are due on Tuesday.

Australians were generally a shade easier on lack of interest despite the good performance in overnight Sydney and Melbourne markets.

The Rundle twins extended their rally to a third day with **Central Pacific** up 5 at 140p and **Southern Pacific** 3 better at 60p; the two companies were changing hands at 215p and 88p respectively prior to Monday's news that costs of the development of the Queensland oil-shale deposit could well treble owing to geological problems.

FINANCIAL TIMES STOCK INDICES

	Apr. 10	Apr. 9	Apr. 8	Apr. 7	Apr. 6	Apr. 3	A year ago
Government Secs.	69.68	69.37	69.47	69.39	69.97	70.06	66.16
Fixed Interest	71.17	71.30	71.36	71.47	71.66	71.66	66.39
Industrial Ord.	551.3	549.8	539.4	525.8	533.5	539.6	435.6
Gold Mines	335.5	347.7	339.3	356.1	383.2	359.4	307.7
Ord. Div. Yield	5.96	5.98	6.09	6.23	6.15	6.07	8.03
Earnings, Yld. % (full)	11.55	11.81	12.03	12.31	12.15	12.14	19.75
P/E Ratio (net) (*)	10.85	10.57	10.37	10.14	10.21	10.34	6.20
Total Bargains	25,600	27,747	28,191	25,380	31,674	38,815	13,078
Equity turnover £m.	—	217.64	164.2	148.4	172.33	206.45	92.88
Equity bargains total	—	23,365	20,749	22,105	27,515	34,318	18,076

10 am 552.2. 11 am 535.9. Noon 556.3. 1 pm 555.9.
2 pm 553.9. 3 pm 555.8.
Latest Index 01-246 8026.
*Nil = 10.02.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

HIGHS AND LOWS

	1981 High	1981 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	70.61 (20/3)	68.05 (19/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	73.01 (20/3)	69.98 (16/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	551.3 (10/4)	446.0 (14/1)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	421.1 (16/1)	281.4 (29/1)	558.9 (22/9/80)	43.5 (26/10/71)

S.E. ACTIVITY

	Apr. 9	Apr. 8
Daily		
Gilt Edged Bargains	176.4	187.5
Equities Bargains	151.4	134.4
Value	439.9	331.9
5-day Avrge.		
Gilt Edged Bargains	197.3	204.4
Equities Bargains	165.9	181.7
Value	367.6	369.3

NEW HIGHS AND LOWS FOR 1981

The following shares quoted in the Share Information Service yesterday attained new Highs and Lows for 1981.

NEW HIGHS (405)

BRITISH FUNDS (9)
COM'WEALTH & AFRICAN LOANS (1)
LOANS (4)
AMERICANS (8)
CANADIANS (2)
BANKS (2)
BEERS (3)
BUILDINGS (28)
CHEMICALS (6)
DRAPERY & STORES (27)
ELECTRICALS (12)
ENGINEERING (46)
FOODS (14)
HOTELS (3)
INDUSTRIALS (61)
INSURANCE (10)
LEISURE (5)
MOTORS (6)
NEWSPAPERS (8)
PAPER (7)
PROPERTY (10)
SHIPPING (3)
SHOES (4)
TEXTILES (14)
TOBACCOS (1)
TRUSTS (95)
OIL & GAS (4)
OVERSEAS TRADERS (5)
TEAS (3)
MINES (4)

NEW LOWS (12)

FOREIGN BONDS (1)
Japan 6pc '83-88
STORES (2)
Preedy (Alfred) Upton (E.)
ELECTRICALS (1)
Thorpe (F. W.)
INDUSTRIALS (3)
Johnson & Barnes P.M.A.
Marshall's Universal
OILS (2)
Royal Dutch Strata Oil
MINES (3)
Haoma Gold Swan Resources
North West Mining

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	83	—	5	173	215	107
Corpns. Dom. and Foreign Bonds	10	1	54	26	30	269
Industrials	631	125	612	1,766	1,345	3,729
Financial and Property	267	34	192	745	637	1,083
Oils	34	18	25	110	151	124
Plantations	13	—	10	40	11	64
Mines	18	85	62	201	297	327
Others	65	37	50	238	243	262
Totals	1,131	300	1,011	3,299	2,929	5,965

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday

Stock	Closing price pence	Day's change	Stock	Closing price pence	Day's change
Assoc. Book Pub.	227	+6	Lilley (F. J. C.)	157	+10
Automotive Prods.	63	+7	Martin the News.	238	+18
Bowater	269	+9	Metal Box	202	+2
Brit. Aerospace	210	—	Tanks Con.	360	—
GKN	164	+6	Tube Invs.	218	+2
Ladbroke	308xd	+13	Waring and Gillow	168	+18

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Mar. 23	Apr. 3	June 25	July 6
Apr. 6	Apr. 17	July 9	July 20
Apr. 21	May 1	July 23	Aug. 3

For rate indications see end of Share Information Service

Stocks favoured for the call included Aran Energy, GKN, BSG, FNFC, Amalgamated Distilled Products, Lyon and Lyon, London Investment Trust, Premier Oil, Simmer and Jacks, Southern Pacific Petroleum, Dunlop, BSR, Dares Estates, Fitch Lovell, Comfort Hotels, NCC Energy, Pennine Commercial, ICL and K. O. Boardman. Puts were taken out in De La Rue, MFI, J. Sainsbury, GEC, Hawker Siddeley and Tubes. Doubles were transacted in ICI and FNFC.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri., April 10, 1981 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thurs. April 9 Index No.	Wed. April 8 Index No.	Tues. April 7 Index No.	Mon. April 6 Index No.	Year ago (approx.) Index No.	1981 High	1981 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (214)	351.74	+1.2	10.93	4.54	11.29	347.43	342.07	338.47	341.95	234.22	351.74 (10/4)	272.28 (15/1)	351.74 (10/4/81)	50.71 (13/12/74)
2	Building Materials (25)	310.34	+0.9	14.51	5.60	8.27	307.70	305.10	303.28	306.31	228.08	310.34 (10/4)	236.82 (13/1)	310.34 (10/4/81)	44.27 (11/12/74)
3	Contracting, Construction (28)	579.36	+1.2	16.23	4.67	7.33	572.73	563.69	562.20	564.55	346.10	579.79 (2/4)	403.39 (8/1)	579.79 (2/4/81)	71.48 (2/12/74)
4	Electricals (27)	1098.70	+0.2	7.94	2.45	15.62	1096.73	1085.53	1068.41	1080.06	613.75	1104.98 (2/4)	888.13 (15/1)	1104.98 (2/4/81)	84.71 (25/6/62)
5	Engineering Contractors (11)	482.78	+3.0	11.76	5.36	10.73	468.75	455.05	454.48	460.19	272.35	482.78 (10/4)	374.44 (20/1)	482.78 (10/4/81)	64.39 (2/1/75)
6	Mechanical Engineering (71)	216.34	+1.8	12.53	5.67	10.12	212.57	208.67	206.78	209.85	157.98	216.34 (10/4)	162.47 (15/1)	216.34 (10/4/81)	45.43 (6/1/75)
8	Metals and Metal Forming (13)	172.95	+4.5	9.49	7.52	13.96	165.52	160.38	158.66	160.34	162.73	172.95 (10/4)	127.24 (14/1)	192.29 (4/5/79)	49.65 (6/1/75)
9	Motors (21)	102.79	+1.3	10.14	8.11	12.93	101.46	98.38	98.13	98.50	103.14	102.79 (10/4)	84.67 (23/1)	170.59 (15/1/69)	19.91 (6/1/75)
10	Other Industrial Materials (18)	375.21	+2.4	11.06	5.47	10.81	366.24	358.45	354.69	356.92	0.00	375.21 (10/4)	277.55 (15/1)	375.21 (10/4/81)	277.55 (15/1/81)
21	CONSUMER GROUP (196)	274.90	+0.4	13.51	5.70	8.98	273.81	269.13	265.69	267.58	210.10	274.90 (10/4)	227.50 (14/1)	274.90 (10/4/81)	61.41 (13/12/74)
22	Brewers and Distillers (20)	296.46	+0.3	15.63	6.18	7.59	295.46	290.90	286.30	288.26	258.19	296.46 (10/4)	244.42 (13/1)	306.45 (8/7/80)	69.47 (13/12/74)
25	Food Manufacturing (22)	254.31	−0.6	15.77	6.22	7.53	255.89	250.93	247.41	249.53	185.68	255.89 (9/4)	204.17 (14/1)	255.89 (9/4/81)	59.67 (11/12/74)
26	Food Retailing (14)	542.92	+0.3	8.32	2.98	14.20	541.13	525.16	522.17	525.04	290.86	542.92 (10/4)	440.89 (11/3)	542.92 (10/4/81)	54.25 (11/12/74)
27	Health and Household Products (7)	293.81	+0.2	9.18	4.88	12.94	293.20	291.32	284.64	288.50	195.30	294.84 (2/4)	245.38 (14/1)	294.84 (2/4/81)	175.38 (28/5/80)
29	Leisure (22)	423.32	+0.7	12.04	5.30	10.05	420.26	408.01	404.79	408.49	291.61	423.32 (10/4)	327.38 (16/1)	423.32 (10/4/81)	54.83 (9/1/75)
32	Newspapers, Publishing (12)	494.22	+2.3	17.76	5.99	7.36	482.95	481.89	483.16	485.17	412.43	494.22 (10/4)	419.04 (15/1)	494.22 (10/4/81)	55.08 (6/1/75)
33	Packaging and Paper (14)	151.38	+2.8	18.50	7.63	6.36	147.21	142.47	140.42	140.19	127.06	151.38 (10/4)	108.85 (14/1)	155.65 (14/9/78)	43.46 (6/1/75)
34	Stores (44)	271.60	+0.3	10.89	4.64	12.04	270.80	267.40	263.18	265.81	211.64	271.60 (10/4)	238.15 (15/1)	273.48 (4/5/79)	52.63 (6/1/75)
35	Textiles (21)	159.26	+2.0	13.80	8.25	9.79	156.11	153.36	151.77	151.71	119.36	159.26 (10/4)	122.37 (19/1)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	232.22	+0.4	24.47	10.02	4.66	231.31	228.75	229.73	228.20	201.58	232.22 (10/4)	193.57 (19/1)	339.16 (2/8/72)	94.34 (13/6/62)
39	Other Consumer (17)	283.57	+3.2	9.00	6.77	13.86	274.90	270.87	272.22	274.26	0.00	283.57 (10/4)	231.28 (4/2)	283.57 (10/4/81)	231.28 (4/2/81)
41	OTHER GROUPS (78)	231.64	+0.9	13.44	6.52	9.17	229.62	227.46	224.28	225.77	197.42	231.64 (10/4)	203.40 (13/3)	234.76 (8/5/79)	58.63 (6/1/75)
42	Chemicals (15)	276.86	+0.5	11.64	7.50	10.91	275.48	274.00	265.32	267.41	297.47	299.29 (2/1)	235.35 (13/3)	329.77 (4/5/79)	71.20 (1/12/74)
44	Office Equipment (6)	121.54	+3.5	15.32	6.83	7.75	117.44	117.14	116.67	117.54	109.52	121.54 (10/4)	93.19 (14/1)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping and Transport (13)	628.24	+0.1	13.52	5.89	8.83	627.62	617.58	618.34	621.35	452.96	628.24 (10/4)	518.82 (15/1)	628.24 (10/4/81)	90.80 (29/6/62)
46	Miscellaneous (44)	298.66	+0.9	14.89	5.61	8.26	295.91	292.07	291.16	292.84	231.71	298.66 (10/4)	249.71 (19/1)	298.66 (10/4/81)	60.39 (6/7/75)
49	INDUSTRIAL GROUP (488)	295.12	+0.8	12.52	5.36	9.77	292.83	288.30	284.82	287.17	220.54	295.12 (10/4)	241.24 (15/1)	295.12 (10/4/81)	59.01 (13/12/74)
51	Oils (12)	791.68	+0.1	22.80	7.11	4.90	790.66	785.51	755.27	773.21	730.55	923.71 (2/1)	755.27 (7/4)	1065.24 (19/11/80)	87.23 (29/5/62)
59	500 SHARE INDEX	334.85	+0.7	14.36	5.68	8.30	332.65	328.03	322.50	326.05	260.87	334.85 (10/4)	290.43 (14/1)	334.85 (10/4/81)	63.49 (13/12/74)
61	FINANCIAL GROUP (118)	262.15	—	—	5.35	—	262.17	258.98	257.33	257.37	191.25	262.17 (9/4)	227.09 (19/1)	262.17 (9/4/81)	55.88 (13/12/74)
62	Banks (6)	254.30	−0.1	32.14	7.09	3.75	254.45	248.06	242.18	239.00	206.62	254.45 (9/4)	220.84 (11/3)	288.32 (20/7/72)	62.44 (12/12/74)
63	Discount Houses (10)	303.31	+1.9	—	6.11	—	297.64	299.56	298.98	309.57	215.14	314.03 (20/3)	290.51 (15/1)	314.03 (20/3/81)	81.40 (10/12/74)
64	Hire Purchase (4)	269.04	−0.7	8.36	4.61	16.54	270.84	273.12	273.44	273.34	190.68	274.53 (25/3)	194.82 (8/1)	433.74 (4/5/72)	38.83 (11/12/74)
65	Insurance (Life) (10)	270.48	−1.0	—	5.28	—	273.19	272.20	270.53	268.47	170.66	274.72 (2/4)	222.74 (7/1)	274.72 (2/4/81)	44.88 (2/1/75)
66	Insurance (Composite) (9)	172.56	−0.1	—	7.12	—	172.74	169.05	168.80	168.90	122.79	172.74 (9/4)	142.06 (19/1)	183.32 (18/9/80)	43.96 (13/12/74)
67	Insurance Brokers (8)	367.22	+2.4	12.40	6.26	10.93	358.57	357.15	359.69	357.16	287.88	367.22 (10/4)	294.21 (20/1)	372.27 (11/8/78)	65.86 (16/12/74)
68	Merchant Banks (13)	158.00	+0.4	—	4.96	—	157.31	155.58	154.31	159.03	99.45	160.48 (3/4)	143.07 (20/1)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (48)	508.60	+0.3	2.99	2.49	46.21	506.54	504.68	504.16	508.77	371.83	517.77 (2/4)	435.73 (16/1)	517.77 (2/4/81)	56.01 (20/4/65)
70	Miscellaneous (10)	174.25	−1.3	18.02	5.94	6.75	176.47	175.36	175.93	174.60	127.93	180.91 (2/3)	165.30 (19/1)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (109)	307.41	+1.2	—	5.15	—	303.71	300.30	299.71	302.11	205.75	307.41 (10/4)	271.01 (23/1)	307.41 (10/4/81)	71.63 (13/12/74)
81	Mining Finance (3)	240.24	−1.9	14.08	5.58	8.42	244.84	238.06	236.40	240.54	184.38	244.84 (9/4)	200.76 (6/2)	277.15 (30/10/80)	66.31 (30/9/74)
91	Overseas Traders (20)	469.70	+0.2	11.53	6.29	10.64	468.91	461.03	450.23	449.94	395.66	469.70 (10/4)	420.28 (14/1)	469.70 (10/4/81)	97.37 (6/1/75)
99	ALL-SHARE INDEX (750)	319.75	+0.5	—	5.60	—	318.17	313.77	309.41	312.10	244.20	319.75 (10/4)	278.20 (14/1)	319.75 (10/4/81)	61.92 (13/12/74)

FIXED INTEREST PRICE INDICES

	British Government	Fri. April 10	Day's change %	Thurs. April 9	xd adj. today	xd adj. 1981 to date
1	5 years	109.53	+0.20	109.31	—	2.48
2	5-15 years	111.86	+0.51	111.48	0.20	3.46
3	Over 15 years	116.69	+0.53	116.07	—	3.00
4	Irredeemables	129.37	+0.72	128.45	—	1.78
5	All stocks	112.44	+0.42	112.03	0.06	2.92
6	Debentures & Loans	87.51	+0.52	87.24	0.19	3.66
7	Preference	67.93	+0.09	67.87	—	2.88

FIXED INTEREST YIELDS

	British Govt. Av. Gross Red.		Fri. April 10	Thurs. April 9	Year ago (approx.)	1981 Highs	1981 Lows
1	Low Coupons	5 years	11.51	11.56	12.70	11.98 (8/1)	11.20 (20/3)
2		15 years	12.09	12.17	12.51	12.54 (16/1)	11.86 (20/3)
3		25 years	12.17	12.25	12.51	12.66 (6/3)	11.88 (6/1)
4	Medium Coupons	5 years	13.05	13.15	14.48	13.65 (16/1)	12.91 (20/3)
5		15 years	13.59	13.66	14.13	14.13 (16/1)	13.32 (20/3)
6		25 years	13.30	13.35	13.96	13.89 (16/1)	13.03 (20/3)
7	High Coupons	5 years	13.10	13.16	14.61	13.71 (15/1)	12.93 (20/3)
8		15 years	13.77	13.84	14.47	14.35 (16/1)	13.54 (20/3)
9		25 years	13.43	13.54	14.38	14.10 (16/1)	13.15 (20/3)
10	Irredeemables†		11.58	11.66	12.05	11.89 (6/3)	11.35 (20/3)
11	Debs & Loans	5 years	14.48	14.34	15.25	14.81 (30/3)	13.80 (27/3)
12		15 years	14.48	14.45	15.10	14.67 (30/3)	14.16 (27/3)
13		25 years	14.48	14.45	14.95	14.48 (10/4)	14.25 (27/3)
14	Preference†		14.42	14.36	15.77	14.42 (10/4)	14.29 (27/3)

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Miscellaneous Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	128.20	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 26½p.

RECENT ISSUES

EQUITIES

Issue Price p‡	Amount Paid Up	Latest Renunc. Date	1981 High	1981 Low	Stock	Closing Price p‡	+ or −	Div. P. or Amount	Times Covered	Gross Yield	P.E. Ratio
‖ ‖	F.P.	—	£18¼	£16¼	Amdahl	£18¼	+1½	Q40c	—	1.0	—
‖ ‖	F.P.	—	300	245	✠Atlantic Res.	255	+5	—	—	—	—
150	F.P.	3/4	212	170	British Aerospace 50p	212	+2	b7.8	2.0	5.3	13.8
10	F.P.	27/3	18½	13¾	✠Crest Int. Sca. 10p	18	......	—	—	—	—
100	F.P.	1/5	120	105	Cystic Fibr Inv Tst £1	115	......	—	—	—	—
‖ ‖	F.P.	—	178	112	†† Eglinton Oil & Gas	178	+15	—	—	—	—
75½	F.P.	30/4	105	86	Espley-Tyas Prop.	87	+1	b3.92	1.3	6.4	18.1
30	F.P.	24/4	41	36	✠Euroflame	39	+1	b2.1	2.5	7.7	7.4
‖ ‖	F.P.	—	62	56	✠Harvey & Thompson	57	......	g2.24	1.1	5.6	22.4
‖ ‖	F.P.	—	111	95	✠Metal Bulletin	111	+8	T5.0	1.7	6.4	13.0
18¾	F.P.	—	22	20½	Munton Bros. 10p	20½	......	—	—	—	11.8
100	F.P.	13/3	102	92	New Darien Oil Trust	92	......	—	—	—	—
—	F.P.	—	57	44	Do. Warrants	53	......	—	—	—	—
42	F.P.	13/5	45	38	Oil & Gas Production	38	......	—	—	—	—
4.2	P.P.	13/5	9	7½	Do. ($0.01 pd.)	8½	......	—	—	—	—
‖ ‖	F.P.	—	5	4	✠Reliant Motors	5	......	—	—	—	—
100	F.P.	21/4	101	94	T. R. Energy	95	+1	—	—	—	—

FIXED INTEREST STOCKS

Issue price £	Amount Paid Up	Latest Renunc. Date	1981 High	1981 Low	Stock	Closing Price £	+ or −
* *	F.P.	13/5	34p	33p	Colonial Secs. 7½% Cum. 2nd Pref. 5p	33p	......
100	F.P.	1/5	74	70	Cystic Fibrosis Res'ch In. Tst. 5%Deb.'86	70	......
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

[illegible]

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. pt Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). • Provisional or partly-paid allotment letters. ✠ With warrants. †† Dealings under special Rule. ✠ Unlisted Securities Market. †† London Listing. ‡ Effective issue price after scrip. † Formerly dealt in under Rule 163(2)(a). ‡‡ Units comprising 125 A Ord. & 6 12½% Cum. Pref.

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

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NOTES

[illegible]

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Am. Gth. Tst.	60.1	64.6	-0.2	2.24
Abbey Capital	51.4	55.6xd	+0.6	3.96
Abbey General	59.2	64.0	+0.5	4.80
Abbey Gilt & F.I. Tst.	107.2	112.8xd	+0.6	11.41
Abbey Income	38.5	41.6xd	+0.6	8.44
Abbey W'w.Bd.Tst.	95.0	100.5	.....	6.67
Abbey Inv. Tst. Fd.	52.7	57.0	+0.5	4.21
Equitas Prog. Tst.	85.4	92.3	+0.9	4.43

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314.

AHR Gilt Trust	87.3	91.9	+0.5	12.65

Allied Hambro Ltd. (a) (g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	95.5	102.2	+1.5	5.48
Brit. Inds. Fund	83.3	89.1	+0.9	5.72
Growth & Income	54.8	58.6	+0.5	4.61
Elect. & Ind. Dev.	47.6	50.9xd	+0.6	4.91
Allied Capital	102.6	109.8xd	+1.1	4.01
Hambro Fund	141.4	151.3	+1.6	5.49
Hambro Acc. Fund	193.3	206.8	+2.0	4.40
Income Funds				
High Yield Fd.	70.5	75.4	+1.1	7.96
High Income	85.6	89.6xd	+1.3	7.06
Equity Income Fd.	49.3	52.8	+0.7	6.93
Govt. Secs.	26.4	27.1	+0.2	11.44
International Funds				
International	36.8	39.4	+0.1	2.03
Japan Fund	26.0	27.8	.....	0.73
Pacific Fund	71.5	76.5	+0.2	1.07
Secs. Of America	80.0	85.6	+0.5	1.87
Specialist Funds				
Smaller Co.'s Fd.	59.9	64.1	+0.6	4.06
2nd Smlr. Co's Fd.	73.7	78.9xd	.....	3.80
Recovery Sits.	146.3	156.5xd	-0.2	4.86
Met. Min. & C'dty.	70.5	75.2	+0.3	4.88
Overseas Earnings	73.5	78.6	+0.7	4.69
Exempt Funds				
Income Exempt	54.9	57.6	+0.8	7.38
Far East Exempt	75.2	78.2	-0.1	0.96
Smaller Co. Exempt	95.9	100.7xd	+1.0	3.99
U.S.A. Exempt	133.2	138.5xd	-0.9	2.24

Anderson Unit Trust Managers Ltd.
156, Fenchurch St., EC3M 6AA. 623 9231

Anderson U.T.	71.4	76.6xd	.....	3.77

Ansbacher Unit Mgmt. Co. Ltd.
1, Noble St., EC2V 7JA. 01-726 4931

Inc. Monthly Fund	154.0	164.0	.....	12.00
Leics.&Gen.Fd.	51.0	54.0	.....	—

Anthony Wieler Unit Tst. Mgmt. Ltd.
19, Widegate St., London, E1 7HP. 01-247 8827

Wieler Gwth Fd. Inc.	40.8	43.0	+0.3	3.35
Do. Accum.	51.5	54.2	+0.4	3.35

Arbuthnot Securities Ltd. (a)(c)
37, Queen St., London, EC4R 1BY. 01-236 5281

Capital†	35.8	38.6	.....	—
Commodity***	96.3	103.0	.....	2.59
(Accumulation)	150.7	161.2	.....	2.53
(10% Withdrawal)	72.7	77.7	.....	2.53
Eastern & Internatl.†	45.2	48.8xd	.....	1.00
(6% Withdrawal)	31.0	33.4xd	.....	1.00
Extra Income	99.9	107.5	+0.9	9.17
(Accumulation)	119.4	128.4	+1.2	9.17
Finance & Property*	28.0	30.2	.....	3.60
Foreign††	139.9	145.8	.....	1.00
Giants	50.1	51.6	+0.8	4.33
(Accumulation)	65.6	70.1	+1.0	4.35
Gilt & Fixed	43.1	45.2	+0.2	12.02
(Accumulation)	46.6	48.9	+0.2	12.02
Growth	44.3	47.4	+0.5	4.19
(Accumulation)	58.3	62.3	+0.5	4.19
High Income	38.7	41.5	+0.8	8.75
(Accumulation)	65.7	70.2	+0.9	8.75
(8½% Withdrawal)	51.3	54.8	+0.7	8.75
High Yield	45.2	48.7xd	.....	10.10
(Accumulation)	81.5	87.7xd	-0.1	10.10
North American††	37.7	40.3	.....	1.00
Preference	21.6	23.3xd	-0.1	13.79
(Accumulation)	43.8	47.2xd	-0.2	13.79
Smaller Companies	40.1	41.6	+0.3	4.01

Dealings: †Tues. *Wed. ††Thurs. ***Friday.

Archway Unit Tst. Mgs. Ltd.♥ (a)(c)
317, High Holborn, WC1V 7NL. 01-831 6233

Archway Fund	124.3	133.7		4.82

Prices April 9. Next sub. day April 16.

Barclays Unicorn Ltd.♥ (a)(c)(g)
Unicorn Ho. 252, Romford Rd., E7. 01-534 5544

Unicorn America	39.1	42.0	+0.2	0.86
Do. Aust. Acc.	158.3	170.2	+1.7	0.63
Do. Aust. Inc.	121.0	130.1	+1.3	0.63
Do. Capital	92.3	99.2	+0.8	4.65

Crescent Unit Tst. Mngrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3 031-226 4931

Cres. Amer. Fd.	43.1	46.5	+0.3	0.54
Cres. Internat'l.	86.0	92.8	+0.5	1.68
Cres. High. Dist.	47.8	51.6	+0.4	9.21
Cres. Reserves	53.4	57.6	+0.5	5.10
Cres. Tokyo	35.1	37.9	.....	0.92

Darlington Unit Trust Mngt. Ltd.
Bridge Chambers, Barnstaple, Devon 0271 76324

Total Perf. Unit Tst.	23.5	25.0xd	.....	9.05

Discretionary Unit Fund Managers
36/38 New Broad St, EC2M 1NU. 01-638 4485

Disc. Inc. April 9	252.6	269.4	.....	4.83

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA 01-623 8893

Great Winchester	18.5	20.4	.....	6.93
Gt. Winchester O'seas	27.6	30.6	.....	3.47

For Emson and Dudley see Robert Fraser Tst. Mgmt.

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	95.0	99.9xd	+2.2	4.40

Fidelity International Management Ltd.
62-63 Queen St, London EC4 1AD 01-248 4891

American (z)	38.4	41.3	+0.6	0.62
Amer. Spec. Sits. (z)	28.0	30.3	+0.2	0.57
Gilt + Fixed Int.	25.5	26.8	+0.1	11.77
Growth + Income	34.5	37.1	+0.3	6.44
Maximum Inc. Eq. Tst.	29.3	31.6	+0.4	8.56
Special Sits.	42.0	45.2	+0.5	1.69

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l	40.4	43.4xd	.....	1.64
Accum. Units	50.1	53.8xd	.....	1.64
J. Finlay High Income	37.4	40.2xd	.....	9.59
Finlay Wld. Energy	18.5	19.9xd	+0.1	1.69
Accum. Units	24.1	25.9xd	+0.2	1.69
J. Finlay Fd. In. Tst.	39.8	42.8xd	.....	5.09
Accum. Units	50.3	54.1xd	.....	5.09

Prices on April 8. Next dealing April 15.

Framlington Unit Mgt. Ltd. (a)
64, London Wall, EC2M 5NQ. 01-628 5181

Amer. & Gen	84.0	89.8	+0.6	0.74
Am. T'around	79.6	85.0	+1.2	1.42
Capital Tst.	64.6	69.0xd	+0.8	4.81
(Accum. Units)	68.4	73.0	+0.8	4.81
Convertible & Gilt	49.4	52.0	-0.2	9.71
(Accum. Units)	49.4	52.0	-0.2	9.71
Extra Income Trust	56.2	60.0	+1.2	8.79
Income Tst.	44.6	47.6	+0.6	7.23
Int. Growth Fd.	67.8	72.4	+0.6	1.60
(Accum. Units)	72.6	77.6	+0.6	1.60

Robert Fraser Trust Mgt. Ltd.
28b Albemarle St., W.1. 01-493 3211

Robt. Fraser Ut. Tst.	87.1	93.7xd	.....	6.00

Friends' Provdt. Trust Mgrs. (a) (b) (c).
Pixham End, Dorking. 0306 5055

Friends Prov. Units	69.6	74.7	+1.4	3.93
Do. Accum.	100.2	107.2	+1.6	3.93

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300

Capital April 2	142.7	147.4xd	.....	4.75
Gross Inc. April 2	83.9	86.2	.....	11.14
High Yield April 2	95.0	97.9	.....	10.62

*Unauth. Restricted to monies under Court control.

G.T. Unit Managers Ltd.♥
16, Finsbury Circus, EC2M 7DJ. 01-628 8131

G.T. Cap. Income	161.0	173.1	+1.7	2.00
Do. Acc.	206.9	222.4	+2.2	2.00
G.T. Inc. Fd. Un.	222.0	238.7	+4.0	7.90
G.T. U.S. & Gen.	221.1	237.7	+3.9	1.40
GT Wld. Bd. Fd.	97.0	101.0xd	-1.5	5.90
G.T. Japan & Gen.	109.7	117.9xd	-1.1	1.30
♦Gt. Pens. Ex. Fd.	365.0	384.2	+2.5	1.70
G.T. Int'l. Fund	255.4	274.6	+0.1	1.90
G.T. Four Yds. Fd.	62.2	66.9	+1.7	6.30
G.T. Far East & Gen.	99.5	106.9	-1.4	1.20

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood (0277) 227300

G. & A.	46.4	49.6	+0.6	4.70

Gartmore Fund Managers♥ (a)(g)
2 St. Mary Axe, EC3A 8BP 01-623 6114
Dealing only: 01-623 5766/5806

American Trust	42.7	46.0	+0.3	0.41
British Tst. (Acc.)	101.6	109.3	+0.4	3.66
British Tst. (Dist.)	100.4	108.0	+0.5	3.66
Commodity Share	52.9	56.9	-0.1	4.46
Extra Income Tst.	24.2	26.1	+0.3	9.15
Far East Trust	58.6	63.1xd	+0.9	1.02
Gilt Trust	23.7	24.7xd	+0.1	12.75
High Income Tst.	59.1	63.6	+0.7	9.68

INSURANCE PROPERTY BONDS

OFFSHORE & OVERSEAS FUNDS

Continued on previous page

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
99⅞	97½	Exch. 8¾pc 1981	99⅞	+1/32	8.29	11.39
99⅜	97¾	Exch. 9½pc 1981	99⅜	+1/16	9.56	11.72
97	93¾	Exch. 3pc 1981	97	+⅛	3.09	11.76
99 13/16	99⅛	Treas. Variable '81§§	99 13/16xd	+1/16	13.45	12.45
100 7/16	99¾	Exch. 12¾pc 1981‡‡	100 7/16	.....	12.69	11.89
97 11/16	95 11/16	Treas. 8½pc '80-82‡‡	97 11/16	+1/16	8.70	11.68
95	91⅞	Treasury 3pc '82‡‡	94⅝	.....	3.18	10.08
102 7/16	100 15/16	Treasury 14pc '82‡‡	102	+1/16	13.72	11.59
98 15/16	98 3/16	Treas. Variable '82§§	98 13/16	+⅛	12.06	12.72
95¾	93 13/16	Treasury 8¼pc '82	95¾	+⅛	8.61	12.04
96 7/16	93 13/16	Exch. 9¼pc 1982	95¾	+⅛	9.64	12.40
94⅞	92⅝	Exch. 8¾pc 1983	94⅞	+⅛	9.22	12.07
89¼	84⅞	Exch. 3pc 1983	88¼	.....	3.40	10.07
99⅛	97⅜	Treasury 12pc 1983‡‡	99⅛	+3/16	12.10	12.49
98⅛	96¾	Treas. Variable '83§§	98⅛	+5/16	12.16	12.91
94⅛	92¼	Treasury 9¼pc '83	94 1/16	+3/16	9.83	12.31
101 11/16	100¼	Exch. 13½pc '83	101½	+3/16	13.30	12.78
94⅛	92¼	Exch. 10pc 1983	94 1/16	+1/16	10.63	12.66
87¼	84½	Funding 5½pc '82-84‡‡	86⅞	.....	6.33	11.14
96¾	94 5/16	Exch. 11¼pc 1984	96⅝	+3/16	11.64	12.66
103 3/16	101 11/16	Exchequer 14pc 1984	103	+3/16	13.59	12.80
80⅝	78½	Exch. 3pc 1984	80	+⅛	3.75	10.55
98⅜	96⅝	Treasury 12pc 1984	98⅜	+3/16	12.19	12.57
107¼	104⅞	Treasury 15pc 1985	107 3/16	+⅛	13.99	12.57
98⅞	96 11/16	Exch. 12pc Cnv. '85	98⅛	+3/16	12.19	12.52
75¾	73¼	Treasury 3pc 1985	74⅝	.....	4.02	10.81
74¾	72⅞	Do. "A"	74½	.....	4.03	10.86
15 1/16	14⅞	Treas 11½pc '85 (£15pd)	15	+⅛	11.91	12.60
98⅝	96 3/16	Exch. 12¼pc 1985	98 3/16	+3/16	12.47	12.77
97⅛	93⅝	Exch. 11¾pc '86	96⅝	+1/16	12.16	12.68

Five to Fifteen Years

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
70 3/16	69	Treasury 3pc 1986●	69¾	+¼	4.32	11.00
97 11/16	66	Treasury 12pc '86	97 11/16	+3/16	12.38	12.83
87⅞	84¾	Treasury 8¼pc '84-86‡‡	87⅝	+⅛	9.94	12.34
103⅝	98⅛	Exch. 13¼pc 1987	103¼	+⅝	13.20	13.15
81¾	77¼	Funding 6½pc '85-87‡‡	77½xd	+⅛	8.35	11.73
99½	93⅛	Treas. 12pc 1987	93¾xd	+⅜	12.71	13.31
80½	76¾	Treasury 7¾pc '85-88‡‡	80¼	+¼	9.85	12.50
65½	61⅝	Transport 3pc '78-88	63⅝	+¼	4.78	10.47
92¾	86¼	Treasury 11½pc 1989	91⅞	+½	12.73	13.53
93	87	Do. A	92⅜	+½	12.86	13.70
67¼	63⅞	Treasury 5pc '86-89	65⅝xd	+⅝	7.61	11.41
101½	95⅛	Treasury 13pc 1990‡‡	100⅝	+⅜	13.33	13.47

Over Fifteen Years

Undated

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
95	92¾	Aust. 5½pc '81-82	93¾	.....	5.87	12.55
87½	83½	Do. 6pc 1981-83	87½	.....	7.03	12.64
67¼	63¾	N.Z. 7½pc 1988-92	67	.....	11.14	13.32
81¾	78	Do. 7½pc '83-86	81½	.....	9.47	13.14
99½	94¾	Sth. Africa 9½pc '79-81	95½	.....	9.88	16.91
141	115	S. Rhod. 2½pc Non-Ass.	141	.....	—	—
59	43	Do. 3½pc 80-85 Assd.	59	.....	5.96	16.60
40	26	Do. 4½pc 87-92 Assd.	40	.....	11.46	17.00
395	333	Zimbabwe Ann (£100pa)	395	+3	—	18.54

LOANS

Public Board and Ind.

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
64	61¾	Agric. Mt. 5pc '59-89	64	.....	7.98	12.34
81	76½	Alcan 10½pc '89-94	81	.....	13.21	14.00
29½	28¼	Met. Wtr. 3pc 'B'	29	.....	10.45	12.70
114	98½	U.S.M.C. 9pc 1982	114	+6	8.14	—
97	92½	Do. without Warnts.	97	.....	9.60	14.30

Financial

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
101½	99¾	FFI 14pc '83	100¾	.....	13.89	13.63
92	88½	FFI (UK Fn) 5½pcDb. '80-2	92xd	+½	6.02	12.42
83	80	Do. 6¾pcDb. '81-84	83	+1	7.79	13.40
93	86½	Do. 10¼pc Uns.Ln. '86	93	+1	11.65	13.40
91½	79¾	Do. 11pc Uns.Ln. '88	91½	+½	12.44	13.30
91½	86½	Do. 11¾pc Uns.Ln. '90	91½	+½	13.33	14.15
94½	88½	Do. 12½pc Un Ln. 1992	91½xd	+½	13.66	14.00
64½	60	Do. 7¼pcADeb. '89-92	64	.....	11.86	14.10
62	59	Do. 7¼pcADeb. '91-94	60½xd	+½	11.98	13.80
72½	68	Do. 9pc 'A' '91-94	71½xd	+½	12.59	13.70
70	65	Do. 8¾pcLn. '92-97	67	.....	13.59	14.30

FOREIGN BONDS & RAILS

1981 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
62½	58	Antofagasta Rly.	58	.....	—	—
55	55	Do. 5pc Pref.	55	.....	—	—
98	98	Chilean Mixed	98	.....	3	f3.10
28	20	Chinese 4½pc 1898	20	.....	—	—
22	17	Do. 5pc 1912	17	.....	—	—
18	11	Do. 5pc 1913	11	.....	—	—
16	11	Do. 5pc '25 Boxer	11	.....	—	—
94	88¼	Denmark 13pc 2005	92	.....	13	14.74

AMERICANS

CANADIANS

1981 High	Low	Stock	Price	+ or −	Div. Gross	C'vr	Y'ld Gr's
980p	812p	Hudson's Bay ‖	980pxd	+10	$1.20	—	4.6
985p	795p	Hud. B. Oil G. $2½	985p	+25	32c	—	1.2
13⅝	11½	Imperial Oil ‖	13⅛	−⅛	$1.40	—	3.9
10½	765p	Inco ‖	10⅛	−⅛	$US72c	—	3.2
630p	450p	Int. Nat. Gas $1	615p	+10	$1.00	—	6.0
210p	155p	Massey Ferg. ‖	200p	.....	—	—	—
120p	95p	Place Gas $1	105p	.....	—	—	—
16⅛	10¼	Rio Algom	15½	.....	$1.50	—	3.7
12	10⅞	Royal Bk. Can. $1	11⅞	+¼	$1.60	—	5.1
26	23¾	Seagram Co. C$1	25⅞xd	+¼	US$1.40	—	2.4
13⅞	11¼	Tor. Dom. Bk. $1	13¼	+⅛	$1.60	—	4.5
10½	750p	Trans Can. Pipe	10⅜	−⅛	$1.16	—	19.3

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS—Continued

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

هكذا من الأصل

INDUSTRIALS—Continued

[illegible]

INSURANCE

[illegible]

INSURANCE—Continued

[illegible]

LEISURE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc.

[illegible]

OIL AND GAS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

Central African

[illegible]

MINES—Continued

Australian

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
40	32	Acmex 50c	40	......	Q2.5c	—	3.3
23	14	ACM 20c	19	−1	—	—	—
[illegible]							

Tins

[illegible]

Copper

[illegible]

Miscellaneous

[illegible]

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ✱ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(2)(a); not listed on any Stock Exchange and not subject to any listing requirements.
- ‡‡ Dealt in under Rule 163(3).
- ≠ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § *Forecast dividend; cover on earnings updated by latest interim statement.*
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ** Regional price.
- || No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until *maturity of stock.* ★★ *Available only to UK pension schemes and* insurance companies engaged in pension business. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate *paid* or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest *annual earnings. u Forecast dividend: cover based on previous year's* earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. x *Prospective real rate of return.* y *Dividend and yield based on* merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or *other official* estimates for 1981-82. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1980-81. K Figures based on prospectus *or other official estimates for 1981-82. M Dividend and yield based on* prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1980-81. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

[illegible]

IRISH

[illegible]

OPTIONS

3-month Call Rates

Industrials

A. Brew	6½
BOC Intl.	11
B.S.R.	4½
Babcock	11
Barclays Bank	36
Beecham	15
Blue Circle	35
Boots	20
Bowaters	24
Brit. Aerospace	14
B.A.T.	25
Brown (J.)	7
Burton Ord.	12
Cadburys	7½
Courtaulds	6
Debenhams	8
Distillers	17
Dunlop	7½
Eagle Star	22
F.N.F.C.	3½
Gen. Accident	30
Gen. Electric	60
Glaxo	28
Grand Met.	14
G.U.S. 'A'	44
Guardian	32
G.K.N.	16
Hawker Sidd	25
House of Fraser	14
I.C.I.	20
"Imps"	7
I.C.L.	6
Ladbroke	30
Legal & Gen.	20
Lex Service	10
Lloyds Bank	28
"Lofs"	4½
London Brick	7
Lucas Inds.	18
"Mams"	20
Mrks. & Spncr	9
Midland Bank	26
N.E.I.	7
Nat. West. Bank	32
P & O Dfd.	13
Plessey	30
Racal Elect.	34
R.H.M.	5
Rank Org. Ord.	18
Reed Intnl.	28
Sears	5
Tesco	5½
Thorn EMI	30
Trust Houses	18
Tube Invest.	18
Turner & Newall	10
Unilever	50
Utd. Drapery	6½
Vickers	15
Woolworths	5

Property

Brit. Land	8
Cap. Counties	11
Land Secs	37
MEPC	20
Peachey	15
Samuel Props.	13
Town & City	2¾

Oils

Brit. Petroleum	36
Burmah Oil	16
Charterhall	9
KCA	22
Premier	10
Shell	34
Tricentrol	30
Ultramar	44

Mines

Charter Cons.	21
Cons. Gold	45
Lonrho	9
Rio T. Zinc	45

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 22

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £500 per annum for each security

FINANCIAL TIMES
Saturday April 11 1981

MAN OF THE WEEK

On a fast boat from China

BY JOHN MAKINSON

"TO FOUND a bank in Asia based on sound Scottish principles" was the stated goal of Sir Thomas Sutherland, the founding father of the Hongkong and Shanghai Banking Corporation.

His successor, Mr. Michael Sandberg, took the principle a step further this week when he offered to buy a bank in Edinburgh based on just such principles. The bank is the Royal Bank of Scotland and the price-tag was almost £500m.

Since its foundation in 1865 with a capital of HK$ 5m, the Hongkong Bank has grown to be one of the largest and most secretive *financial institutions* in the world.

It has expanded particularly fast during the past few years. Only last year it gained control of Marine Midland, a major U.S. bank, after a lengthy battle with Ms. Muriel Siebert, the combative New York State banking superintendent.

Mr. Sandberg, who took over as chairman of Hongkong Bank four years ago, is seen as the driving force behind the bank's expansionist outlook. But he does not relish the reputation of being more an entrepreneur than a banker. "I'm just as conservative, or as stuffy, as any other banker," he says.

Mr. Michael Sandberg
A good line in oriental inscrutability

Seated in the bank's impressive *London headquarters*, the immaculately groomed Mr. Sandberg certainly looks every inch the staid international banker. Yet over the next few weeks he is also likely to show his skills as a tough and persistent businessman.

The Hongkong Bank is competing for control of Royal Bank of Scotland with Standard Chartered, another bank with strong Hong Kong ties. And Mr. Sandberg will be in the *thick of the battle*.

He is not looking forward to it. Of takeover wars he says "one develops grey hairs rather than a taste for battle." Mr. Sandberg's own hair is entirely grey, which may be significant.

He particularly regrets having to compete with Standard Chartered, a local neighbour. "We would have preferred to be in the ring with someone else," is his rueful comment.

The Standard Chartered offer took Hongkong Bank by surprise and forced Mr. Sandberg to accelerate his own offer. "It *concentrated the mind wonderfully*," he says happily.

The Hongkong Bank had been eyeing possible bid targets in Europe for several years though the project "had remained on the back-burner" during the Marine Midland battle. Yet, Mr. Sandberg says he never really had the slightest doubt that the final choice would be the Royal Bank of Scotland.

He cites "the law, the language and the sense of humour" as reasons for buying a British bank. The choice of a Scottish Bank is particularly appropriate as the senior management of Hongkong Bank is still peppered with Scots.

Mr. Sandberg himself was born outside London 53 years ago and served with the 6th Lancers (Indian Army) and the 1st Kings Dragoon Guards before joining the bank in 1948. He found post-war Britain "a little gloomy and grey," he says.

He has retained traditional British qualities and interests *despite his prolonged absence* from the home country. A pillar of the local expatriate community and president of the Jockey Club, he cites his hobbies as horse racing, bridge, cricket and horology—the study of clocks.

At the same time, he has developed a good line in oriental inscrutability. The bank presides over enormous hidden reserves, the size of which is reputedly known to only six people. In a bid to become the seventh, I asked Mr. Sandberg to put a figure on them. "If I told you that, they wouldn't be hidden, would they?", was his reply.

Hint of Royal Bank stake for Scotland

BY JOHN MAKINSON

THE Hongkong and Shanghai Banking Corporation might be prepared to sell a stake in the Royal Bank of Scotland to Scottish institutions if it succeeds in its £500m bid for the bank.

Mr. Michael Sandberg, Hongkong Bank chairman, said yesterday: "We would *explore* very *seriously the* idea of letting Scottish institutions have part of the equity if the Royal Bank board thought it useful."

Mr. Sandberg has not met the Royal Bank board to discuss his bid approach, which is competing with an earlier £330m offer from Standard Chartered Bank.

The Royal Bank board has recommended the Standard Chartered offer, but has not responded formally to Hongkong Bank's bid.

The idea of taking only a majority stake in Royal Bank *has been considered* by Standard Chartered.

Mr. Peter Graham, the bank's chief executive, said: "We looked at it and discussed it vaguely with the Royal Bank people, who did not seem very enthusiastic."

Mr. Sandberg said he had not considered in detail how large a stake might be offered to the institutions or how the operation might be performed.

He was asked whether 25 per cent of the equity might eventually be on offer. "I don't think 25 per cent is an impossible figure."

An offer to Scottish institutions might allay fears in Scotland that the Royal Bank would pass wholly out of local control if either bid succeeded.

Mr. Sandberg said Hongkong Bank had been forced to make a general offer for Royal Bank because of the unexpected emergence of the Standard Chartered offer.

"If we had had more time we would have considered very closely the idea of leaving part of the equity in Scottish hands."

Mr. Sandberg indicated strongly that Hongkong Bank would pursue its bid even if it is referred to the Monopolies and Mergers Commission.

Producers walk out from meeting of Tin Council

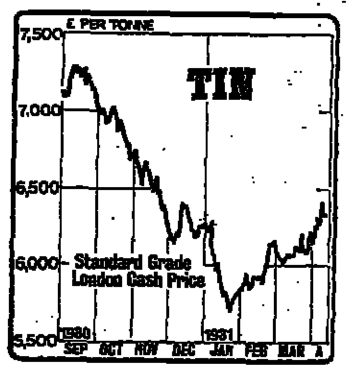
BY JOHN EDWARDS, COMMODITIES EDITOR

REPRESENTATIVES OF the tin-producing countries walked out en bloc from the International Tin Council in London yesterday afternoon. Their action followed a refusal of *consumer* countries to agree to demands for a rise in the International Tin Agreement price range.

The withdrawal of the producers brought an abrupt end to the council's session. This *started on* Tuesday but has been deadlocked all week on the question of whether the floor and ceiling prices fixed by the agreement *should be raised*.

The council's next meeting is due on July 14-17. However, it is unlikely producing countries will agree to hold off until then.

The International Tin Agreement *is the oldest surviving* commodity pact between leading producing and consuming countries. It seeks to control the tin market between agreed floor and ceiling prices. This is operated by the Tin Council *in London. The* council conducts support-buying of buffer stock when prices are near the floor and sells the buffer stock when the market is close to the ceiling.



This price range has to be agreed by both producing and consuming countries. It is a *source of constant friction*.

At this week's meeting there was a fundamental disagreement. The U.S., supported by other countries, claimed that no increase in the price range was justified because of the present *tin surplus*.

The EEC, represented as a bloc for the first time at the meeting, was unable to agree a common position. Britain supports the U.S. line. It is believed other member countries were prepared to accede to some increase.

Producing countries in the agreement are Malaysia, Bolivia, Indonesia, Thailand, Nigeria, Zaire and Australia. No figure was mentioned specifically, but they were understood to be pressing for a 10 per cent rise. With the possible exception of Bolivia, a high-cost producer, *they would probably have* settled for 5 per cent.

The U.S. refusal to grant any increase united them. Mr. Paul Sutton, Australian chairman of the producer group, apparently read a strongly worded statement to the council meeting. The producers withdrew and the lack of a quorum ended the meeting.

The atmosphere was further soured by producers' complaints about the U.S. selling surplus tin from its strategic stockpile.

Tin prices fell on the London Metal Exchange yesterday afternoon. Cash tin closed £95 down *at £6,330 a tonne*. The tin agreement price range is based on the Straits tin price in Malaysia. This, at Ma$ 30.95 a kilo (about £6,190 a tonne) is at the middle of the agreement's price range. The last increase in *the range* was in March, 1980.

Building societies' receipts fall

By Michael Cassell

BUILDING SOCIETY *receipts* fell to their lowest level for nine months in March and early indications suggest this month could be one of the worst periods since late 1979.

Provisional figures from the Building Societies Association show the impact of increasing competition for savings and of the increase in consumer spending at the time of last month's Budget.

BUILDING SOCIETY NET RECEIPTS

	£m
1980	
October	520
November	285
December	448
1981	
January	446
February	366
March	269

Society net receipts reached £269m last month against £366m *in February*.

A seasonal downturn in savings, together with lower interest rates introduced by the societies on investments and mortgages last week, could help bring this month's receipts down to £150m or less. The societies' biggest problem is continuing competition from National Savings.

The age threshold for index-linked "granny bonds" has been reduced from 60 to 50 this month. About 65 per cent of building society capital comes from investors over 50.

The societies are losing savings as investors take advantage of the last few weeks of the successful 19th issue of National Savings Certificates. This is being replaced on May 9 by a less attractive issue.

Last month, the societies lent *a record £1bn* to home buyers (up from the previous peak of £965m in December), while a further £1.21bn was promised. At the end of the month societies were committed to lend £2.83bn.

Investors took £1.92bn out of their accounts in the month and £2.19bn was paid in. Borrowers paid £447m off their mortgages.

Cartel begins to crumble, Page 14

IBA accepts Trident share plan

BY ARTHUR SANDLES

TRIDENT TELEVISION's proposals for shedding its majority shareholding in Yorkshire Television and Tyne Tees Television have been accepted by the Independent Broadcasting Authority.

The IBA ruled in December that the two companies could remain ITV franchise holders only if a share reorganisation took place.

Negotiations lasted more than three months and at times hovered on the brink of collapse.

The IBA has accepted plans which would give Yorkshire six additional shareholding groups *and reduce Trident's holding to* a maximum of 15 per cent.

Most of the other shareholders come from the region. *They will have* stakes ranging from 20 to about 5 per cent. Pearson Longman, Telefusion and the Yorkshire Post are believed to be among the groups.

The new Yorkshire company *will have a capitalisation of* £12.6m.

Tyne Tees, with a capital of £5m, will have a shareholder drawn from Norseman, one of the consortia which applied for the North-East contract last year. It will have a *maximum holding of 20* per cent and there will be a local placing. Vaux Breweries was a major force in the Norseman bid.

The IBA decision means it has rejected proposals for *completely new ownership for* Yorkshire as suggested by the Charterhouse Group and a consortium headed by Mr. Stuart Wilson, a former executive of Yorkshire Television and an unsuccessful bidder for the Midlands contract.

Trident last night refused to give details about the structure of the new Yorkshire and Tyne Tees companies. At the Trident annual meeting on April 28, a date for an extraordinary meeting will be announced, probably for May, at which full details will be disclosed to shareholders.

The IBA said Yorkshire would be required to continue its status as a network company providing peak-hour programme material for national viewing.

Some doubts have been expressed over Yorkshire's capacity to do this after the hiving off of sister company Tyne Tees and the loss of the transmitter at Bilsdale.

Under the new arrangement, Trident will sell the company its film stock but retain ownership of the Leeds studio complex, which will be leased by Yorkshire.

In the case of Tyne Tees, the company will buy the present studios but lease a new studio complex, now under construction, from Trident.

The IBA suggests that both companies will participate in "common sales arrangements," although it seems these will have to be modified in the light of objections from the Office of Fair Trading.

Mr. Ward Thomas, Trident chairman, said the company was "extremely glad, after a very *long period of uncertainty*, to have reached an agreement with the IBA."

U.S. in offshore Alaska scheme

BY PAUL BETTS IN NEW YORK

THE REAGAN ADMINISTRATION unveiled a plan yesterday to accelerate significantly the U.S. Government's offshore oil and gas leasing programme and open up key areas off the Alaskan coast for oil and gas *exploration*.

The plan will increase the pace, area and quality of Federal lands offered for this exploration, said Mr. James Watt, the U.S. Interior Secretary, and Mr. James Edwards, the Energy Secretary.

The move fulfils one of the principal campaign promises of President Ronald Reagan, who said repeatedly that he wanted to open up more Federal Lands to oil companies to encourage exploration and reduce the country's dependence on imports.

Both Ministers said that the *increased leasing programme* was required to meet "the nation's interests," though the Administration could come under heavy fire from environmentalist lobbies and a number of states.

Mr. Watt and Mr. Edwards claimed that objections to the accelerated leasing programme were "unwarranted."

The most significant part of *the programme concerns* Alaska, which the U.S. oil industry regards as the most promising area for new exploration. Apart from speeding lease sales in Alaska, the plan would open more acreage in new regions in Alaska to oil companies.

The programme brings forward lease sales in the Norton Basin to May 1982, from September 1982. Leases in Alaska's North Aleutian Shelf will be brought forward six months, to April 1983. The *Chukchi Basin and the Navarin* Basin, which both straddle the dividing-line between U.S. and Soviet waters north of the Bering Straits, will be offered in January 1985 and December 1984, instead of February 1985 and December 1985 respectively.

The U.S. Geological Survey, the Government agency charged with mapping mineral resources, recently revised significantly upward its oil and gas reserve estimates in the Alaskan Continental Shelf.

It estimates that the Navarin Basin, *stretching 150-200 miles* north of the Aleutian Islands toward the Siberian coast, could hold anything up to 11.8bn barrels of oil, or a "best guess" of 3.8bn. The other basins included in the lease sales are regarded as very promising.

The programme includes eight more sales than originally planned in the next five years. It *allows leasing in the* Santa Maria Basin, off California, later this year despite strong objections from the state and environmentalists.

While opening-up of the Alaskan coast is the most significant part of the programme, oil companies have also lobbied for greater access to the Californian Continental Shelf and the Georges Bank Area off Cape Cod, New England.

Debt rescheduling hope

Continued from Page 1

International bankers said last night that progress made by the Governments set a much more favourable background to their own talks with Poland which are due to resume on Thursday.

But the banks are expected to take longer than the Governments to reach agreement because about 460 have loans coming up for repayment this year.

An urgent item on Thursday's agenda will be arrangements to tide Poland over until long-term agreement with the banks is reached.

Poland has asked the banks to excuse repayment of debts falling due while discussions are in progress. Most seem sympathetic to this for medium-term debt, but some are less so about short-term interbank deposits.

Weather

UK TODAY

Warm, humid. Cloudy, rain or thunderstorms, sunny intervals.

London, S. England, E. Anglia, Midlands, Channel, Wales
Warm. Max. temp. 16C (61F).

Rest of England, I.o.M., N. Ireland, Scotland, Orkney, Shetland
Rather warm. Max. temp. 13C (55F).

Outlook: Overnight fog patches, cooler, rain, dry later.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	18	64	L. Ang.†	C	14	57
Algiers	C	30	86	Luxmbg.	S	21	70
Amsdm.	S	19	66	Luxor	S	26	79
Athens	S	19	66	Madrid	F	18	64
Bahrain	S	28	82	Majorca	C	21	70
Barclna.	R	15	59	Malaga	S	21	70
Beirut	S	18	64	Malta	F	17	63
Belfast	C	11	52	M'chstr.	S	18	64
Belgrd.	F	16	61	Melbne.	S	18	64
Berlin	F	17	63	Mx. C.†		—	—
Biarritz	C	15	59	Miami†	S	23	73
Bmghm.	C	18	64	Milan	S	21	70
Blackpl.	S	19	66	Montrl.†		—	—
Bordx.	C	15	59	Moscow	S	5	41
Boulgn.	S	20	68	Munich	S	17	63
Bristol	S	18	64	Nairobi	C	26	79
Brussels	S	21	70	Naples	S	22	72
Budpst.	F	14	57	Nwcstl.	S	16	61
Cardiff	S	17	63	N York†	S	10	50
Cas'b'ca	C	23	73	Nice	S	18	64
Cape T.	S	24	75	Nicosia	F	19	66
Chicg.†	S	11	52	Oporto	R	15	59
Cologne	S	20	68	Oslo	S	11	52
Cpnhgn.	S	14	57	Paris	S	22	72
Corfu	S	20	68	Perth	C	24	75
Denver†	F	8	46	Prague	S	17	63
Dublin	Fg	8	46	Reykjvk.	C	2	36
Dbrvnk.	S	19	66	Rhodes	S	19	66
Ednbgh.	S	14	57	Rio J'o†		—	—
Faro	F	18	64	Rome	S	22	72
Florence	S	25	77	Salzbrg.	S	19	66
Frankft.	S	19	66	S F'cisc†	F	8	46
Funchal	F	20	68	Singapr.	F	29	84
Geneva	S	18	64	S'tiago†		—	—
Gibraltar	F	20	68	Stckhm.	F	14	57
Glasgow	S	14	57	Strasbg.	S	21	70
G'rnsey	C	17	63	Sydney	F	20	68
Helsinki	C	4	39	Tangier	F	21	70
H. Kong	F	26	79	Tel-Aviv	S	18	64
Innsbrk.	S	18	64	Tenerife	F	22	72
Invrnss.	S	15	59	Tokyo	C	15	59
I.o.Man	F	12	54	Toronto†		—	—
Istanbul	S	22	72	Tunis	S	19	66
Jersey	C	18	64	Valencia	C	19	66
Jo'burg	F	19	66	Venice	S	20	68
L. Plms.	F	22	72	Vienna	F	17	63
Lisbon	R	16	61	Warsaw	C	13	55
Locarno	F	19	66	Zurich	S	19	66
London	S	20	68				

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny.
† Noon GMT temperatures.

THE LEX COLUMN

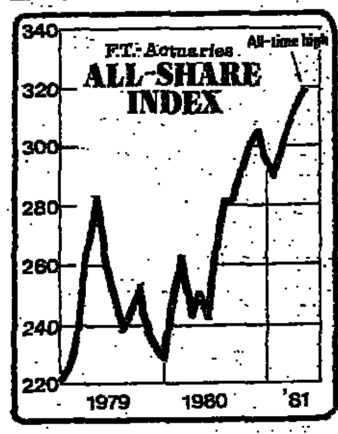
The hammering of Hedderwick

It has been another remarkable week in the equity market. The FT 30-Share Index, down 14 points after two days, rose 24 *points in the next two, and at* noon yesterday it was within a whisker of the high point reached in 1979, before backing away in the afternoon. The All-Share Index, meanwhile, is back in new high ground, closing just below 320 last night.

The 30-Share Index, which lagged the more broadly-based All-Share quite badly last year, has put in a better relative showing recently thanks to the re-rating of industrial shares. Different market sectors are still showing sharply varying performances, but the tables have ben turned on oils, the 1979-80 favourites, *which have fallen by* nearly a fifth relative to the market as a whole so far in 1981.

In contrast, the front-runners include sectors such as textiles and mechanical engineering, very much last year's laggards, while the contracting and construction sector is up nearly 40 per cent against the All-Share this year.

Index rose 1.5 to 551.3



Hedderwick

Mergers between stock market firms have acquired a bad reputation over the years, because of subsequent personality clashes, and the bizarre circumstances of the hammering of Hedderwick Stirling Grumbar last night will only serve to confirm the view of the average Stock Exchange member. On the face of it Quilters—the firm of the Stock Exchange's chairman, Mr. Nicholas Goodison—came within half an hour of assuming responsibility for serious deficits suddenly discovered at the last minute in the Hedderwick books. It is enough to send a shiver down the spine of every senior partner.

Hedderwick's problems began several years ago. Serious allegations about transactions in gilts were followed by the abrupt departure of the head of the gilt-edged department. Soon afterwards there was further trouble over Hedderwick's dealings with the gilt-edged jobbers Wedd and Owen who closed down last year: the Stock Exchange investigated charges that Hedderwick has breached regulations by lending stock and failing to maintain proper liquidity margins. Last year, too, the firm ran into liquidity problems over the notoriously slow settlement of deals in the Australian market, though it may not have been alone in this and the problem later eased.

Although little has ever been said officially about the various investigations of Hedderwick by the Stock Exchange and the Fraud Squad, the City's gossip circuit has buzzed. Although Hedderwick was cleared, business suffered badly as clients deserted it, and with bonuses disappearing its leading analysts and salesmen began to look elsewhere. The merger with Quilters was a closure in all but name—*and anyway Quilters refused to* take on the gilt-edged department.

Stock market firms commonly deal in huge financial sums in a rapid and comparatively informal way. Inevitably trust plays a *big part*. *After the* Hedderwick affair senior partners will no doubt be looking again at their systems and their checks.

Intasun

The same sense of timing is at work in the public launch of Intasun Leisure Group as the *company displayed last year in* pioneering the Miami summer holiday for Britons wanting something hotter than the Costa Brava. Intasun is able to point to soaring profits last year, but more important has been the *massive* rise in the most directly comparable stock, Horizon. Yesterday Horizon closed at 274p, compared with 126p earlier in the year, or four times above the low point of 1980.

Only 15 per cent of Intasun is being offered—on the Unlisted Securities Market—at a minimum tender price of 86p. The rating seems to have been carefully pitched just below the enthusiastic level attained by Horizon. Thus Horizon's p/e is 13½ times, fully-taxed, while Intasun's is *pitched* at 11½ times (on a conservative basis). The suggested dividend would produce a yield of about 4½ per cent—compared with Horizon's 3 per cent. At this price the shares have only a short-term appeal, if that.

The company is estimating that pre-tax profits will jump from £3m to £10.1m in the year *to March 1981*. In fact the level of profits comes down to £8m if aircraft finance costs are charged as incurred in the normal way. Nevertheless, this remains a quantum jump, and only perhaps £2m derives from the pioneering work in Miami. Otherwise the major contributor is likely to have been the strength of sterling. Quite apart *from buoyant sales* and better loadings, the appreciation of the pound last year between the printing of the brochures and the summer holidays gave a massive boost to margins—and there is no reverse surcharge.

No doubt there are strong arguments for long term growth in package holidays abroad. But it is likely to be a long time *before the industry sees such* an annus mirabilis again. This year surcharges are again in fashion — and Intasun has refrained from making a forecast about the current year, other than to say they are confident it will prove satisfactory.

Saint Piran

Given the background, the price at which yesterday's offer to buy the outstanding stock in Saint Piran is pitched should not come as a complete surprise to long-suffering shareholders. The Takeover Panel ruled a year ago that former chairman Mr. Jim Raper held 37 per cent of the company through three overseas groups and ordered an offer of 85p a share to be made for the remaining equity.

In response, one of the groups—Gasco—now reveals that it has control of nearly 40 per cent of the stock and is making an offer of a mere 50p a share. It is reckoning, presumably, that some shareholders may be tempted to cut their losses and accept. They may hope for effective action from the Department of Trade which is still investigating the company's affairs following last December's interim report. But it is not clear what the Department could do to force Mr. Raper to raise his terms.

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